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Foreign Nationals in China

British Note on Treatment

Mr. Eden, Secretary of State for Foreign Affairs, announced in the House of Commons on 21st April that the UK Chargé d'Affaires in Peking was presenting a Note to the Chinese Peoples' Government bringing to their notice all cases of Australian, Canadian, United Kingdom and United States citizens reported to be under detention in China, and requesting information about those who had been arrested, the nature of the charges made against them, what sentences, if any, had been passed on them, and their present whereabouts and welfare. The Note requested facilities to enable the UK Chargé d'Affaires to communicate with these detained persons. Mr. Eden stated that the United Kingdom Government was in charge of Australian, Canadian and US interests in China and that this step had therefore been taken on behalf of those Governments as well as of the United Kingdom.

'There are', Mr. Eden said, 'believed to be 55 citizens of the countries in question who are at present in gaol. Five of these are citizens of the United Kingdom and Colonies, five of Canada, three of Australia and 42 of the United States of America. A further 20 US citizens are reported to be under house arrest. Others are known to have died in prison, though no satisfactory details have been obtained from the Chinese authorities, and several have been released in such a poor state of health, due to neglect of their special ailments, that they died shortly after release. The figures given are subject to correction since, in most cases, persons under detention have not been permitted to get into touch with their national representatives, families or friends.

'General representations on behalf of those detained were made by HM Chargé d'Affaires in August last year [see 21.9.51 2h p.29], and the attention of the Chinese Peoples' Government has repeatedly been drawn to the various individual cases by separate communications'. These representations, Mr. Eden concluded, did not so far appear to have effected any improvement in the situation. Therefore, the UK Chargé d'Affaires had been instructed to deliver this further Note.

There are now only about 700 British subjects, principally business men, left in China, as compared with 5,000 in 1945. The UK Government have been compelled to close down all British Consulates in China with the exception of those at Shanghai and Tientsin.

Britain and the Free World

Mr. Butler on UK Economic Links with Western Europe

Speaking in the series of broadcast talks entitled 'Britain and the Free World' in the European Service of the BBC on 21st April, the UK Chancellor of the Exchequer, Mr. R. A. Butler, drew attention to the fact that Britain's economic fortunes were very closely linked with those of Western Europe and that, since the war, economic co-operation between Britain and Western Europe had grown steadily. Mr. Butler's talk continued as follows:

The Trade Links

'What are these economic links which bind us together? Let me pick out two key figures for you. Last year, as you have heard, no less than a quarter of all Britain's imports came from the countries of Western Europe and their dependencies, and these same countries bought from us about one quarter of all the goods we sold abroad. Those two figures explain why it matters so much to us in Britain what happens to the economy of Europe, and why it is of importance to Europe what happens to Britain.'

UK Co-operation with Europe

'When any two areas of the world buy from and sell to each other to such an extent, they will if they are wise take steps to consult together on economic matters. You will remember that one of the economic lessons of the nineteen-thirties was that booms and slumps do not remain isolated in the countries of origin; they are catching; they travel along the trade routes of the world. That is why, quite apart from the ties of common culture and outlook, it is in our interest to co-operate with Europe. It will not have escaped you that, at a time when we have had the greatest difficulty in paying our way as a nation, we have given considerable financial aid to European countries. We have been active members of the Organization for European Economic Co-operation, in the foundation of which we took an active part. This excellent organization has, in my view, fully lived up to its name, and when I was in Paris in March I was glad to reaffirm the complete support which it has from Her Majesty's Government.'

'Two of the most important aims of the Organization have been the freeing of European trade and payments. On the path of liberalization we could, until very recently, have claimed to be well in front, and by joining the European Payments Union we have also brought into it, in effect, all the countries of the sterling area, so that our European friends may trade more freely not only with ourselves but with Australia, India, Pakistan, New Zealand and so on. We have in fact linked the Union with an area whose combined population is nearly twice as large as that of the rest of Western Europe and its dependencies. That is our post-war record, and it scarcely supports the charge one sometimes hears that Britain has been dragging her feet in European co-operation. As I said in Paris, we are Europeans and will play our part.'

'It seems to us much better for everyone that Britain should act as a link between Europe and the other great Commonwealth countries than that she should loosen her ties with them and offer to the rest of Europe the advantages of economic association with this small island alone. You have

[Over

heard in earlier broadcasts in this series what the Foreign Secretary and Lord Salisbury¹ had to say about our Commonwealth ties. You will understand why we cannot place any of our industries under an all-European authority, such as that proposed by M. Schuman for coal and steel. We do know the risk of stultifying these imaginative plans for strengthening and uniting Europe. We intend to do all we can to help them forward and to associate ourselves with the new institutions which will emerge.'

The Re-armament Programme and the Balance of Payments

'So far, I have been talking of the past. What of the present? First, our rearmament programme. It is no part of my intention to boast, but I think it is fair to say that no European country is doing more to strengthen our joint defences than Britain is doing. Because of our balance of payments position, we have had to slow down the pace of our arms drive a little, but even so we are planning to spend on defence in the current financial year nearly twice as much as we were doing two years ago—almost £30 per head of our population, in fact. Secondly, just when we were beginning to feel the full weight of this rearmament programme, a great deficit developed in our overseas payments.

'This was, of course, no mere coincidence. It is indeed to a large extent because the whole world is rearming that our payments position has worsened so sharply. Few economies are so dependent on foreign supplies as ours, and so sensitive therefore to world fluctuations. We have to import about half our food and nearly all our raw materials apart from coal. We import primary products, that is, and export manufactures. It was the huge rise in the prices of the raw materials we import relative to those of the manufactures we export which caused such a large part of Britain's overseas deficit last year. When many of our partners in the sterling area began to run into payments trouble too, our joint gold and dollar reserves started to run down at a truly alarming rate. It is only just recently that the position has improved. Had we failed to take steps to bring that improvement about, the future not only of Britain but of the whole sterling area system, and of the European Payments Union, would have been endangered.'

The Liberalization of Trade

'This brings me to the most important part of what I want to say tonight. I have made it clear that the two ends of our current economic policy are to achieve our rearmament programme and to correct our balance of payments deficit.

'The measures we have adopted for these two purposes do mean, make no mistake about it, real sacrifices by the people of Britain; but some of them also affect you in Europe. We have unfortunately been forced to make a large cut in our imports from Europe in order to obtain quick relief for our balance of payments, until the other remedial measures have had time to take effect.

'I know that this move has been a very unwelcome one. But it was necessary, because we were losing large sums of gold to the European Payments Union and the Union was paying out even larger amounts of gold to the creditor nations of Europe. And in making the cuts, we have tried so far as we can to take account of the vital economic interests of our neighbours. It is worth remarking too that between a third and a half of our private trading imports from Europe—even now—are still liberalized.

¹See 3.4.52 1b(11) and 17.4.52 1b(14) respectively.

And finally, I can give you an assurance tonight that we will lift our import restrictions just as soon as our financial situation permits. That is no idle promise; it is an expression of faith in the future.

'Of course, other imports from you are now of greater importance than ever. Our European supplies of iron ore, scrap and steel are vital to our defence effort, especially in view of the present uncertainty over American supplies. The arms programme also requires large numbers of machine tools, and we have placed orders for these with many continental firms.'

UK Exports of Essential Goods

'In return for the essential imports I have mentioned, we supply a number of things which the rest of Europe needs. We know there can be nothing of greater help to you than an increase in our coal exports; and until 1950 we were steadily building them up. Last year, I am afraid they fell back again. We are far from satisfied, and are taking a number of special measures to attract more men to the mines and increase their average output. It is not an easy problem, but it is being tackled vigorously, and as an earnest of our intentions we have undertaken to increase our total coal exports by 30 per cent this year. The greater part of this increase will go to Europe.'

Engineering and Metal Exports

'What of the engineering and metal exports which the world holds in such high regard? I know that the delivery dates for these are not always satisfactory and I want to say something about that. The demand on these industries has been impossibly heavy. This year, since we must at all costs get our balance of payments right, we are greatly reducing the supplies of plant and machinery for our own factories so that we can send more abroad. This will help our foreign customers by improving supplies and delivery dates. This cutting of civil investment was a decision not lightly taken, for upon the level of our investment depends for us, as for any country, the level of our future standard of living.

'As you see, we are fully alive to the effects of our policies on other people in Western Europe. We try to ease the difficulties when our supplies to you do not fit your demands upon us, and when it is the other way round. But some of these immediate difficulties are transient and there are bigger things at stake. What we are fighting to preserve is our economic stability, and that—believe me—is almost as important to Europe as it is to ourselves. Unless we are strong, we cannot repay the debts we have recently incurred to you. Unless we are strong economically, we are bound to be a weak ally in the military sphere—and our neighbours need our military strength. In so far as our troubles are due to rearmament, we can fairly ask others to share them with us. Indeed, the strains of rearmament make a particular demand upon the forbearance and co-operation of the defence partners.'

Long-term Aims

'But it is right to look ahead beyond the present strains and stresses. They will not last for ever. Speaking for the British Government I can say that our long-term aims are and remain the liberalization of imports, the progressive freeing of the system of international payments, the full convertibility of sterling, and the great expansion of trade between our countries which these measures will bring about. We look forward with confidence to the time when the immediate needs of defence will be less

pressing, and we can devote more of our resources to the peaceful tasks of improving more rapidly the standard of life of our own peoples and of those in other lands who look to us for help. I am convinced that the trials and troubles we are facing now can only serve to strengthen the bonds between Britain and the rest of Europe. As a famous predecessor of mine, Mr. Gladstone, once said: "I do not believe that England ever will or can be unfaithful to her great tradition . . . or can forswear her interest in the common transactions of Europe".

Lord Alexander on Britain and the Defence of Europe

On 28th April, Earl Alexander of Tunis, the UK Minister of Defence, spoke on the subject of Britain and the defence of Europe in the series of broadcast talks on the BBC European Programme entitled 'Britain and the Free World'. He began by referring to the United Kingdom's defence problems and to the way in which these were being tackled.

Lord Alexander went on:

'As I see it, our task is twofold. First, we must win the cold war and secondly we must build up our strength in case we have to fight a hot war'.

The Cold and the Hot War

'The cold war which we are now experiencing has several aspects. We are faced with an ideological doctrine which aims at destroying our way of life and everything that you and I cherish, especially those freedoms for which our people have fought and struggled for so long to attain. It is also a war of nerves, because of the threat of force which hangs from day to day over our heads. Actually in some parts of the world, such as in Korea and in Malaya, the cold war has broken out into a shooting match. This has forced us to send troops to those areas to support our allies and as reinforcements to other parts of the world as an insurance against the danger of active hostilities breaking out'.

UK Contribution to NATO

'Now, what about our preparations for a possible hot war? First, we have got to ensure the defence of Western Europe and the defence of these islands. The last war showed clearly that our fate is closely bound up with that of the mainland of Europe. In a sense we are a European country but even more are we an Atlantic country. It is, therefore, as a member of the North Atlantic Treaty Organization that we play our part in the defence of Western Europe. The other day, we celebrated the third anniversary of the signing of the North Atlantic Treaty. During that short space of time, a new hope has been born in Western Europe and good progress has been made in building up the forces of the North Atlantic countries. I should like here to pay a special tribute to the great work which my old chief, General Eisenhower, has done during the past year at SHAPE in collaboration with Field-Marshal Montgomery.

'And now let me say a word or two about our contribution to NATO. We have in Germany four divisions, three of them armoured, besides our troops in Berlin, Austria and Trieste. All these forces will come under the operational command of SHAPE in the event of war. In support of them there is the Second Tactical Air Force consisting of jet fighters and reconnaissance aircraft. Finally, we shall be playing a major role in defending the Atlantic lifeline upon which our survival and the defence of Western Europe depends'.

Britain and the European Defence Community

‘The latest organization which is taking form is the European Defence Community. There is general agreement that Germany must be allowed to play her part in the defence of Western Europe. It is through the medium of the European Defence Force that we hope to secure this. As I said earlier, we are primarily an Atlantic Power but we are also a member of that great Commonwealth of free peoples which is spread all over the world. It is for that reason that I believe we can make our most valuable contribution to the European Defence Force by giving our full support and co-operation rather than by participating directly in it. I should like to say right here and now that we regard the speedy creation of the European Defence Force as a matter of vital importance. When it is created we shall give it all the help in our power. Because of our special experience during the last war in large-scale air operations, we believe that it is in the air that we can make our most valuable contribution’.

UK Responsibilities in the Middle and Far East and at Home

‘But our task embraces much more than Europe. We have responsibilities in the Middle East and in the Far East as well, so that in fact our responsibilities are world wide and we are compelled to maintain large forces away from these islands.

‘This does not mean that we are neglecting the home front. We are giving very serious attention to the defence of this country. First, we have started to raise the Home Guard. Secondly, by a severe combing of the Army’s administrative tail, we have produced new brigade groups which will become fully effective shortly. Thirdly, a combatant value has been given to the great number of officers and men—nearly a quarter of a million—in depots and training schools all over the country. These men, organized into fighting groups, will be a considerable deterrent against any airborne attack on this country.’

Defence Co-operation with the Commonwealth and the United States

‘Further, it is encouraging to know that we are not alone. If war should come we would be fighting alongside allies. And here I would like to pay tribute to the help that we are receiving from America and Canada in the provision of equipment, and to say how welcome are the units of the United States and Canadian Air Forces which are now stationed in this country. Finally—and this to me, after the six years that I have just spent in Canada, is more important than anything else—we are members of a great family of nations, the Commonwealth, upon whose help I know we can rely no less in the future than in the past.

‘The tremendous effort we are making is to defend ourselves and not for the purpose of attacking someone else. Of course, if war should come, we must be strong enough to win it—but if we organize our strength now we shall achieve something far better than final victory on the battlefield, I believe we shall prevent the start of a third world war’.

Indo-China

UK Statement on Defence

In reply to a question in the UK House of Commons on 30th April, Mr. Eden, Secretary of State for Foreign Affairs, stated that the UK Government were in continuous consultation with the French Government on all matters affecting the defence of South East Asia. 'If there were an aggression against Indo-China', Mr. Eden said, 'the French Government and the Government of Viet Nam would no doubt appeal to the United Nations. We have made it clear that in such an event Her Majesty's Government would not fail in their obligations under the Charter of the United Nations. This,' Mr. Eden went on, 'would create a situation no less menacing than that which the United Nations met and faced in Korea; and the United Nations would, I trust, be equally firm to resist it'.

On 28th January, the UK representative told the Political Committee of the UN General Assembly, that any Communist aggression in South East Asia would be a matter of direct and grave concern which would require urgent consideration by the United Nations [see 7.2.52 1a(8)].

Security in the Pacific

Ratification of Defence Treaties

The Mutual Security Treaty between the United States and the Philippine Republic [see 7.9.51 2e p.24] and the Security Treaty between the United States and Japan [see 7.9.51 2e p.23], which were signed on 30th July and 8th September 1951, respectively, came into force on 28th April by the deposition of the US ratification.

Together with the Pacific Security Treaty between Australia, New Zealand and the United States which came into force on 29th April [see *Commonwealth Survey* 9.5.52 1b], these treaties are designed, as was stated by Mr. Acheson, US Secretary of State, on 1st September 1951, to serve as 'a basis for peace in the Pacific'.

Britain and Western Defence

Lord Alexander's Statement in Parliament

In the course of a speech during a debate on defence in the House of Lords on 23rd April, Earl Alexander of Tunis, UK Minister of Defence, reviewed the United Kingdom's world-wide defence effort and outlined the ways in which the United Kingdom was continuing 'to make a most impressive contribution to the defence of the free world, a contribution second only in size to the gigantic programme of the United States of America'. He spoke of the United Kingdom's co-operation with other Commonwealth countries, its contribution to Western defence through the North Atlantic Treaty Organization, and its forces operating in Korea and Malaya. [Many of the developments to which Lord Alexander referred have been outlined in previous issues of *International Survey* to which appropriate references are accordingly given below. For the passages in his speech dealing with Commonwealth co-operation in defence, see *Commonwealth Survey* 25.4.52 1b(21), and with internal aspects of the UK defence programme, [see *Home Affairs Survey* 29.4.52 1b. The full text of Lord Alexander's speech will be found in *Hansard, Lords*, 23.4.52 Cols. 321-335].

The United Kingdom and Western Defence

Lord Alexander stated that the objects of UK defence policy could not be considered apart from the defence of Western Europe and the North Atlantic area. He said that good progress had been made in Western defence since the signing of the North Atlantic Treaty three years ago, and referred to 'the substantial force of more than four divisions, with supporting squadrons of the Royal Air Force', maintained by the United Kingdom in Western Europe [see 6.3.52 1f(28) and 17.4.52 1f(61)]. The United Kingdom had close relations with the United States in defence, and 'in any future battle of the Atlantic', said the Minister, 'British and American naval and air forces would be co-operating closely under an Allied Headquarters' [see 24.1.52 1f(8), 7.2.52 1f(12), 3.4.52 1f(49) and 17.4.52 1f(59)].

Lord Alexander reiterated the UK Government's intention of being closely associated with the European Defence Community, the creation of which it regarded as vitally important [see 7.2.52 1f(18), 21.2.52 1f(20) and 17.4.52 1f(54)]. In referring to the significance of the choice of a senior RAF officer as head of the UK delegation to the EDC Conference in Paris [see 17.4.52 1f(56)], Lord Alexander said: 'We believe that it is in the air that we can be of most help to our friends in the European Defence Community, remembering that the Royal Air Force had special experience in the late war of the organization and control of a number of allied contingents of different nationalities operating as one integrated Air Force'.

UK Forces in Korea and Malaya

The Minister said that UK forces were taking part in 'full-scale military operations in Korea and Malaya'. In Korea the land forces had been grouped with units from Canada, Australia, New Zealand and India to form the First (Commonwealth) Division [see 4.5.51 2d p.13] and units of the Royal Navy and Royal Air Force had played an important part in the naval and air operations of the United Nations forces.

In Malaya, UK forces had been engaged in continuous operations for nearly four years. There were about 38,000 British, Gurkha, Malay and

colonial troops in Malaya and Singapore, as well as about another 8,000 locally-enlisted men. There were also a number of Royal Air Force squadrons—in addition to Royal Australian Air Force and Royal New Zealand Air Force squadrons—engaged in the Malayan operations.

The text of a talk on 'Britain and the Defence of Europe' given by Lord Alexander, UK Minister of Defence, on 28th April in the series of broadcast talks on the BBC European Programme entitled 'Britain and the Free World' will be found under 1b in this issue.

North Atlantic Treaty Organization

European Tactical Air Commands Reorganized

It was announced from Supreme Headquarters, Allied Powers in Europe, on 20th April, that the Tactical Air Force contingents previously under the direct operational control of General Norstad, Commander-in-Chief, Allied Air Forces, Central Europe, would from that date operate as two Allied Tactical Air Forces to be known as the Second and Fourth respectively.

Air-Marshal Sir Robert Foster, formerly commander of the British Second Tactical Air Force, commands the Second Allied Tactical Air Force with responsibility for support to allied ground forces and air defence in the northern sector. His command includes the British Second Tactical Air Force, the two squadrons of the Netherlands Tactical Air Command and three squadrons of the Belgian Air Force. The temporary headquarters are at Bad Eilsen in Western Germany.

Major-General Dean C. Strother, formerly commander of the United States 12th Air Force, commands the Fourth Allied Tactical Air Force with responsibilities for the central sector. Formations under his command include US, French and Canadian units. His headquarters are at Landsberg in Western Germany.

Both commanders will be responsible to General Norstad.

General Ridgway to Succeed General Eisenhower

It was announced on 28th April that the North Atlantic Council, after asking President Truman to nominate a successor to General Eisenhower, who recently asked to be relieved of the post [see 17.4.52 lf(60)], had appointed General Matthew B. Ridgway as Supreme Allied Commander, Europe. General Ridgway's appointment and General Eisenhower's release would be effective from about 1st June.

Field-Marshal Lord Montgomery and General Alfred M. Gruenther will remain in their posts of, respectively, Deputy Supreme Allied Commander and Chief of Staff to the European NATO Command.

Biographical Note

General Ridgway graduated from West Point Military Academy in 1917. During the second world war he commanded the American 82nd Airborne Division at Salerno in the Italian campaign and at Nijmegen in the Netherlands. In March 1945, he commanded the XVII US Airborne Corps, which assisted the British 21st Army Group to cross the Rhine. After VE day he was in command of US troops in the Philippines and

subsequently became Deputy Army Chief of Staff. On 26th December 1950, he became Commander of the US Eighth Army in Korea, and, on 10th April 1951, succeeded General MacArthur as Commander of the UN Unified Command in Korea and Supreme Commander, Allied Powers (SCAP) in Japan. The latter post ceased to exist on 28th April 1952 with the ratification of the Japanese Peace Treaty [see 1i in this issue], and General Ridgway is at present Commander of the UN Command in Korea and Commander-in-Chief of the US Armed Forces, Far East Command. He is to be succeeded in these commands by General Mark Clark [see 1h in this issue].

British Mission Leaves Greece

Tributes to Military and Air Missions' Work

The British military and air missions which have been engaged in building up and training the Greek armed forces since the end of the second world war [see 28.7.50 2(a) pp.19-23] ended their work on 30th April. The naval mission is remaining in Athens.

At a farewell ceremony on 24th April, King Paul of the Hellenes presented to the British Army the replica of an ancient Greek shield as a token of Anglo-Greek friendship. The shield, which will be used as a trophy for athletic contests, commemorates British military aid [see 4.11.49 2(a) p.19] and the work of the missions. King Paul said: 'During Europe's darkest hour, when the challenge came to us, we looked to England'. Speaking of Greece's post-war trials he said: 'May it be to the eternal glory of our British friends that in our fight against Communism Greek freedom was unhesitatingly paid for with British lives'.

Major-General L. E. C. M. Perowne, who has been head of the military mission for the past eleven months, took the salute at a parade of Greek and British detachments at Tatoi airfield, near Athens. Major-General Perowne paid tribute to the courage and determination of Greek soldiers to defend their freedom. 'Those', he said, 'are powerful weapons which you have always possessed, and for which you do not need any foreign instruction'. Lieutenant-General Tsakalotos, Greek Army Chief of Staff, addressing officers of the missions, said: 'In 1944 we should have lost our freedom without your support. From ashes the Greek National Army has been organized, and this is your deed. From nothing we have built up ten divisions, which are our pride and your pride'.

In a statement on the occasion of the departure of the British missions, M. Venizelos, Greek acting Prime Minister and Defence Minister, said that Greeks were fully aware of the conscientious efforts made by members of the missions and their splendid achievements in the reorganization of the Greek armed forces. They were therefore sincerely sorry to see the departure of the missions, but were consoled by the idea that their co-operation would not end there but would continue with the same satisfactory results within the North Atlantic Treaty Organization.

An account of the unveiling by the King of the Hellenes in Athens on 25th April of a memorial to United Kingdom, Australian and New Zealand troops who fell in Greece during the 1939-45 war will be found in Commonwealth Survey 9.5.52 1b.

UK-US Co-operation

Joint Exercises for 1952

Plans have been drawn up by the UK Air Ministry and War Office and the US Air Force for a series of exercises to be held at various US air bases in Britain throughout the spring and summer of 1952.

The first of these was a paratroop exercise which took place on 26th and 27th April. This involved an attack by 120 men of the 16th Airborne Division of the UK Territorial Army—including veterans of Arnhem and the Rhine crossing—under the command of Colonel S. Terrell, commander of the 11th Parachute Battalion, on the United States Air Force base at Mildenhall (Suffolk).

The paratroops were flown to their objective by European-based American C-119 troop-carrying planes and dropped, without casualties, at zones near the aerodrome, which they attacked according to plan immediately after landing.

New RN Catapult for US Carriers

Collaboration in naval aviation development projects between the UK and US Navies, initiated during the war, is proving of continuing value to both. A new type of steam-actuated aircraft catapult developed by the Royal Navy is to be adopted by the United States Navy. The catapult, which utilizes for the first time steam power from the ship's boilers, is powerful enough to launch the most modern aircraft down-wind or from a stationary carrier.

Tests of the catapult installed in the Royal Navy carrier *HMS Perseus* were conducted at the US Naval Shipyard, Philadelphia, at the Naval Operating Base, Norfolk, Virginia, and at sea, during January, February and March. During the tests in the United States, the US Navy destroyer *USS Greene* supplied steam to the catapult at pressures higher than are available in *HMS Perseus* to see if the capacity of the catapult could be increased. It was found readily adaptable to the higher pressures.

A small initial quantity of these catapults will be purchased from the United Kingdom, until they have been adapted to the needs of US Navy carriers and modified as necessary for manufacture in the United States. The first installation will be made in the *USS Hancock* and completed early in 1954. *USS Hancock* is undergoing a complete modernization to handle the Navy's new heavier and faster aircraft. The US Navy has begun an investigation into the adaptability of the new catapult to their new flush-deck carrier, the *USS Forrestal*, which is now under construction.

A fuller description of the new catapult and an account of its development will be found in HOME AFFAIRS SURVEY 8.1.52 1b(8).

US Marines Commandant in Britain

Following the visit paid by the Commandant General, Royal Marines, General Sir Leslie Hollis, to the United States in September-October 1951 [see 5.10.51 1c p.20], the Commandant of the US Marine Corps, General Shepherd, arrived in London on 17th April for a week's visit to the United Kingdom, at the invitation of the First Sea Lord, Admiral Sir Rhoderick McGrigor. General Shepherd had talks with the UK Minister of Defence, the First Lord of the Admiralty, the First Sea Lord and the Chief of the Imperial General Staff, and visited Royal Marine establishments in the United Kingdom.

The Anglo-Persian Oil Dispute

UK and Persian Written Statements to the International Court of Justice

On 25th April, the International Court of Justice published the written legal statements submitted by the United Kingdom and Persian Governments prior to the consideration by the Court, in early June, of its own competence to deal with the substance of the UK Government's case against Persia.

The Oil Case before the International Court

The International Court was first seized of the Anglo-Persian dispute by means of the application filed by the UK Government on 26th May 1951 [see 1.6.51 3a p.31]. On 22nd June 1951, as the Persian Government continued to interfere with the operation of the Anglo-Iranian Oil Company's concession, the UK Government filed with the Court a Request for the Indication of Interim Measures of Protection [see 29.6.51 3a p.31]. The Persian Government, prior to the hearing of this request at which they were not represented, sent a telegram to the Court asking it both to declare that the case was not within its jurisdiction and also to reject the UK request of 22nd June.

On 5th July, the Court made an Order indicating provisional measures [see 13.7.51 3a p.22] including *inter alia* that both parties to the dispute should each ensure that no action was taken which might prejudice the rights of the other party in respect of the carrying out of any decision on the merits of the case which the Court might subsequently render. At the same time the Court stated in this Order that 'the indication of such measures in no way prejudices the question of the jurisdiction of the Court to deal with the merits of the case'

Prior to the oral hearing of a case by the International Court, written legal statements must be filed by both parties to the case—a Memorial filed by the applicant and a Counter-Memorial filed by the respondent, usually followed by a Reply filed by the applicant and a Rejoinder to this filed by the respondent.

On 10th October 1951, the UK Government filed its Memorial, but the Persian Government, instead of filing a Counter-Memorial, availed themselves of their right under the Rules of the Court to file on 11th February a Preliminary Objection in which they again challenged the jurisdiction of the Court to deal with the merits of the case. The Court thereupon suspended proceedings on the merits of the case and ordered the UK Government to present a written statement of their Observations and Submissions in regard to the Persian Preliminary Objections. The UK statement of Observations, which was filed on 27th March, in conclusion asked the Court to declare that it had jurisdiction or alternatively, if it felt unable to come to a decision on jurisdiction without examining the merits of the case, to join the two questions together, and having heard the merits, to give a decision on both questions together.

[Over

The UK and Persian Legal Cases

The two questions before the Court, that of its competence to hear this dispute and that of the merits of the dispute, are to a great extent linked together, particularly in regard to the rules of international law governing the expropriation of foreign nationals. An outline of the United Kingdom case on the merits of the dispute, and the remedies requested of the Court, were given in the UK Application of 26th May 1951 [see 1.6.51 3a p.31] and amplified in the UK Memorial of 10th October [see 19.10.51 2d p.34]. The Persian Government, though it has made no formal reply on the merits of the case, appears to base its case on the contention that the Persian Oil Nationalization Laws of 20th March and 2nd May 1951 [see 24.8.51 3a p.20] were valid acts of domestic legislation which made suitable provision for compensation (to be settled by the Persian Parliament) and were inherently within Persia's sovereign rights.

In respect of the question of the competence of the Court, the legal arguments put forward by the two parties dealt principally with, in the first place, the validity and interpretation of the Persian declaration of 1930 accepting the jurisdiction of the Court, and in the second place with the interpretation to be placed upon a clause of the Charter of the United Nations. In each case the arguments of the two parties have been placed, for the sake of clarity, in parallel columns alongside each other.

PERSIAN ACCEPTANCE OF THE COURT'S JURISDICTION

On 2nd October 1930 Persia made a declaration accepting the jurisdiction of the Permanent Court of International Justice. A ratification of this declaration was deposited with the League of Nations on 19th September 1932, and it is provided in the Statute of the present International Court of Justice (which is an annex of the Charter of the United Nations) that such declarations accepting the jurisdiction of the former Permanent Court of International Justice shall be deemed to be acceptances of the compulsory jurisdiction of the International Court of Justice.

This Persian declaration accepted the Court's jurisdiction 'for all disputes arising after ratification of the present declaration with regard to situations or facts relating directly or indirectly to the application of treaties accepted by Persia and subsequent to the ratification of this declaration with the exception of . . . disputes with regard to questions which, by international law, fall exclusively within the jurisdiction of Persia.'

The UK Government contends that the present dispute concerns situations or facts relating to the application of a number of treaties or conventions [see 1.6.51 3a p.32], including the Concession Convention of 1933, of the type referred to in the declaration and that, having regard to these treaties and to the general rules of international law governing the expropriation of the property of foreign nationals, the dispute does not fall exclusively within the domestic jurisdiction of Persia but involves the international responsibility of that country [see 1.6.51 3a p.32]. Furthermore Persia's purported withdrawal of its acceptance of this jurisdiction (on 10th July 1951), coming as it did after the UK Government had already instituted proceedings, is of no legal effect.

The Persian Government's contention on these points is that the Convention of 1933 was void *ab initio*; that, even if it ever had any validity, it became non-existent upon the passing of the Oil Nationalization Law; and that the passing and enforcement of this law were acts inherently within Persia's sovereign rights and violated no treaty obligations. Hence, according to the Persian Government, the dispute does not relate to the application of any treaties or conventions of the type referred to in the declaration but does relate to a question which, by international law, falls exclusively within the jurisdiction of Persia. In addition, the Persian Government contends that it has withdrawn its acceptance of the Court's compulsory jurisdiction.

'DOMESTIC JURISDICTION' AND THE UN CHARTER

The question of the Court's competence also involves an interpretation by the Court of Article 2, paragraph 7, of the Charter of the United Nations, which provides that 'Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any State.'

According to the UK Government this paragraph does not refer to the jurisdiction of the Court, whose jurisdiction in contentious cases is governed by its Statute and declarations under the Statute made by various States accepting the jurisdiction of the Court. According to this view, if States in declarations made under the Court's Statute have freely accepted the jurisdiction of the Court, there is nothing in the Charter of the United Nations to prevent the Court from exercising jurisdiction. The exercise of jurisdiction by the Court on the basis of declarations signed by States would not amount to an 'intervention' and the sole question to consider is whether the dispute referred to the Court is covered by the declarations of the States concerned. The UK Government further argue that, even if Article 2, paragraph 7, of the Charter were relevant to the question of the Court's jurisdiction in this case, the Court would still have jurisdiction, since the present dispute is no more 'essentially within the domestic jurisdiction' of Persia than it is 'exclusively' within the jurisdiction of that country. Having regard to Persia's treaty obligations and her obligations under general international law with respect to the treatment of British subjects, the matter seems to be governed by the ruling of the Permanent Court of International Justice in the case of the *Tunis and Morocco Nationality Decrees* in 1923, in which that Court held that 'once it appears that the legal grounds relied on are such as to justify the provisional conclusion that they are of juridical importance for the dispute . . . and that the question whether it is competent for one State to take certain measures is subordinated to the formation of an opinion with regard to the validity and construction of these legal grounds . . . the matter, ceasing to be one solely within the domestic jurisdiction of the State, enters the domain governed by international law.'

The Persian Government contends that Article 2, paragraph 7, precludes the Court from exercising jurisdiction as the present dispute is 'essentially within the domestic jurisdiction of Persia', even if the Court finds that the dispute was not 'exclusively' within the jurisdiction of Persia as laid down in the Persian declaration of October 1930 [see above].

The Security Council and the Competence of the Court

The Anglo-Persian oil dispute was brought before the UN Security Council by the United Kingdom on 1st October 1951 [see 5.10.51 2d p.27] as a situation likely to endanger international peace. The Security Council decided on 19th October to postpone further discussion on the question until after the International Court of Justice had given a decision as to whether it had jurisdiction in the UK legal case against Persia.

US Military Aid to Persia

No Change in US Position on Financial Aid

The US State Department announced on 25th April that, after an exchange of Notes on the previous day between Persia and the United States, it had been decided that military aid to Persia should be resumed. It had been announced by Mr. Averell Harriman, Mutual Security Administrator, on 23rd January that all US military aid had been withdrawn from Persia because the latter had not fulfilled the requirements of the Mutual Security Act of 10th October 1951 [see 10.1.51 lf p.3], which provides *inter alia* that recipients give an undertaking to make a full contribution to the defence of the free world and do their best to develop their own capacity for self-defence.

In its Note to the US Government of 24th April, the Persian Government said that it 'supports the principles of the United Nations Charter to the extent that its economic and general resources permit'. It was also doing what it could to strengthen its defences according to its capabilities. 'If it should be attacked from any direction, it will defend its freedom and independence with all its might'.

A US State Department spokesman emphasized that only US military assistance would be resumed, and that the position regarding financial aid remained as outlined in the State Department's statement of 20th March [see 20.3.52 lh(43)]. This statement made it clear that the United States could not justify the direct financial assistance, requested on several occasions by the Persian Government, at a time when Persia 'had the opportunity of receiving adequate revenue from its oil industry without prejudice to its national aspirations'.

Korea

Build-up of Communist Forces

In a statement issued on 27th April, General Ridgway, the Commander of the UN Forces in Korea, reported that the Communist forces had taken advantage of the comparative inactivity of the past nine months to build a belt of defensive positions to the north of the present front line. Though still 'somewhat crude in construction' compared to the German 'Siegfried Line', the fortifications were being continually improved. Enemy air, tank and artillery power in Korea had increased since the armistice talks began in July 1951. The Communist Commands had been moving troops at night and 'rotating' their pilots to provide battle experience for as many of their forces as possible.

Estimated Strength of Communist Forces

General Ridgway estimated the present combined strength of the Communist forces in Korea at 'well over' 750,000 men, most of them Chinese. There was also a Communist air force, 'based on the political sanctuary of Manchuria', with a strength of over 1,500 aircraft, of which more than half were jets.

General Ridgway said that the appearance of rocket launchers similar to those used by the Soviet forces in the second world war, had 'demonstrated the continuing efforts of the Communists to maintain a position in Korea which is sufficiently strong to meet their requirements—whatever

these may be'. There was evidence of greater artillery strength and a 'marked increase' in tank strength over that of the spring of 1951. However, General Ridgway concluded, that build-up did not yet pose a serious threat to the UN military position.

General Mark Clark Appointed UN Commander

It was announced in Washington on 26th April that President Truman had, in accordance with the Security Council's resolution of 7th July 1950 [see 14.7.50 2d p.18], appointed General Mark Clark to succeed General Ridgway as Commander of the UN Unified Command in Korea. General Ridgway has been appointed Supreme Commander Allied Powers Europe [see 1f in this issue].

General Mark Clark, who was born in 1896, served in the first world war after graduating from West Point Military Academy. He served between 1935 and 1940 on the US Army General Staff and was appointed Commander-in-Chief US ground forces in Europe in 1942. After taking part in the Allied landings in North Africa in November 1942, he commanded the US Fifth Army in the Italy campaign during 1943-44 and was promoted to command the 15th Army Group, comprising all land forces in Italy, in 1944. Since 1949 he has served as Chief of the US Army Field Forces. General Clark was created an honorary Knight Commander of the Order of the British Empire in 1944.

Facilities for UN Troops in Japan

As a consequence of the coming into force of the Treaty of Peace with Japan and the ending of the Allied Powers' occupation [see 1i in this issue] a standstill agreement is being negotiated by the UN Commander in Korea on behalf of all the nations (except the United States), which have forces in Korea¹ whereby the *status quo* of all UN forces in Japan is maintained pending a definitive agreement regulating UN facilities in Japan. It will be recalled that the Japanese Government, by an exchange of letters between Mr. Acheson and Mr. Yoshida in September 1951 [see 7.9.51 2e p.24], agreed to provide, for the duration of the UN commitment in Korea, facilities and services for use by the UN forces in Japanese territory. The status of US forces in Japan was covered by the US-Japanese Security Treaty signed on 8th September 1951 [see 7.9.51 2e p.23] and by a subsequent administrative agreement.

The Royal Air Force Contribution

Since July 1950 RAF *Sunderland* flying boats have flown over 1,000 sorties in support of the United Nations effort in the Korean war. Recently the tempo of operations has increased and the present commitment of the RAF flying boats is about eight long-range sorties per week.

In June 1950, after the attack on the Republic of Korea by the North Korean forces, *Sunderland* squadrons from the RAF's Far East Flying Boat Wing at Singapore were sent to Iwakuni in Japan, the first operational patrol—a search for enemy shipping—being flown over the Yellow Sea three weeks later.

Since then RAF *Sunderlands* have operated from Iwakuni without a break. As it becomes necessary to withdraw one formation for overhaul of aircraft and rest for crews, a fresh replacement formation moves in. The *Sunderland* flying boats share the base at Iwakuni with US Air Force

¹Australia, Belgium, Canada, Colombia, Ethiopia, France, Greece, Luxembourg, the Netherlands, New Zealand, the Philippines, Thailand, Turkey, Union of South Africa, and the United Kingdom.

flying boat units, sorties being flown turn-and-turn-about by British and American crews. The sorties flown include weather reconnaissance flights over the Yellow Sea and the Taushima Straits (between Japan and Korea) lasting up to 15 hours, anti-shipping and minefield-spotting patrols off the east coast of Korea, searches for the crews of UN aircraft brought down over the sea, and patrols of UN convoy routes in the area. The average length of sorties is from 10 to 12 hours.

Apart from the work of the *Sunderlands*, the British air contribution to the United Nations effort in Korea includes a regular service of transport aircraft to ferry urgent operational supplies, and a service of *Hastings* ambulance aircraft to repatriate battle casualties. The ambulance service operates for the benefit of patients from all the United Nations on its route and it has transported well over 1,000 sick and wounded from a dozen European and Asian countries [see 23.2.51 2d p.13 footnote].

Japan

Peace Treaty Comes Into Force

The multilateral Treaty of Peace with Japan came into force, as far as all the Powers which have ratified it are concerned, on 28th April with the deposition of the US Government's ratification. Ratifications having already been deposited by the United Kingdom [see 30.11.51 2g p.57], Argentina, Australia, Canada, Ceylon, Mexico, New Zealand, and Pakistan, as well as Japan, the deposition of the US ratification completed the procedure laid down in Article 23 of the Treaty [see 13.7.51 2g p.15].

Some Consequential Developments

In accordance with the provisions of the Treaty, the state of war between Japan and each of the signatory Powers which have ratified has been terminated, and Japan restored to her status of an independent, sovereign Power. The Allied Council for Japan and the Far Eastern Commission, advisory and policy-making bodies set up in December 1945 in conjunction with the Allied occupation, have now been formally abolished, as has the post of the Supreme Commander for the Allied Powers (SCAP) who administered the occupation. The last holder of this office was General Ridgway [see If in this issue].

Diplomatic relations have been resumed between the United Kingdom and Japan and Sir Esler Dening, formerly UK Political Representative in Japan, has been named as British Ambassador in Tokyo. Pending the appointment of an Ambassador, Japan will be represented in the United Kingdom by a Chargé d'Affaires.

In accordance with the provisions of the Treaty of Peace, the United Kingdom will enjoy most-favoured-nation treatment in Japan for four years [see 13.7.51 2g p.17] and will have the right within the period of one year to continue the validity of, or abrogate, any of its pre-war Treaties with Japan [see 13.7.51 2g p.16].

Commonwealth Statements

On 28th April, speaking on behalf of Her Majesty's Government, Mr. Churchill, UK Prime Minister, recalled that the United Kingdom had, together with the United States, sponsored the Treaty of Peace and had been the first nation to ratify it. He said he was very glad to welcome Japan as 'a sovereign and responsible member of the community of nations which form the free world'.

Mr. Casey, Australian Minister for External Affairs, said in Canberra on 28th April that Australians would not forget the past and its lessons, but they must now look to the future. Everyone had some misgivings about the treaty, but if Japan were prepared, in company with the western democracies, to seek security on a collective basis and prosperity through co-operation, Australia would be ready to explore all possible means of friendly association.

In a message to the Prime Minister of Japan on 28th April, the Canadian Prime Minister, Mr. St. Laurent, expressed the cordial good wishes of the Canadian people at the inauguration of a new period of friendly relations. He said it was the hope of Canadians that Japan would play an honourable and constructive part in helping to re-establish peace, security, and friendly relations among the peoples of eastern Asia.

Soviet Statement

In a letter to the then Chairman of the Far Eastern Commission, published on 28th April, M. Panyushkin, the Soviet Government representative on the Commission, stated that the dissolution of the Commission had been illegal in view of the fact that it had been undertaken in connection with the 'illegal' multipartite Treaty of Peace. He declared that in the opinion of the Soviet Government [which refused to sign the multipartite Treaty of Peace—see 7.9.51 2g p.33] Japan still remained an occupied country with all the negative consequences for her national independence and sovereignty.

Proposed Indian Treaty with Japan

The Government of India announced on 28th April the termination of the technical state of war between India and Japan. The Government also announced that India proposed to conclude, as soon as possible, a separate treaty of peace with Japan whereby relations between the two countries would be brought into conformity with the amity that existed between them before 1940. India declined an invitation to participate in the conference held in September 1951 to sign the multilateral Treaty of Peace.

Japanese Treaty with Chinese Nationalists

A treaty of peace was signed at Taipeh on 28th April between the Government of Japan and the Chinese Nationalist Administration on Formosa. Under this treaty Japan renounced all title to Formosa and the adjacent Pescadores Islands, and her former assets in China; Japanese property and claims in Formosa are to be disposed of by special arrangement between the two parties. [For a short summary of a letter from Mr. Yoshida, the Japanese Prime Minister, to Mr. Foster Dulles, President Truman's special representative, announcing Japan's intention to conclude such a treaty, and for a summary of a statement by Mr. Eden on the UK attitude towards the question of Sino-Japanese relations, see 7.2.52 1a(9)].

No representatives for China were invited in 1951 to sign the multilateral Treaty of Peace owing to disagreement as to the lawful Government of China [see 13.7.51 2g p.14].

An account of the Allied occupation of Japan and of the preparation of the Treaty of Peace with Japan will be found in Reference Notes No. R.2076 of 1.1.51, Background to a Peace Settlement with Japan, and No. R.2217 of 1.9.51, The Peace Treaty with Japan.

German External Debts

The international conference in London concerned with the settlement of the German pre-war external debts [see 7.2.52 1i(5)] was described in the issue of 17.4.52 2e(21). Meetings of the four negotiating committees and various sub-committees continued from 28th February to 4th April¹ when the conference adjourned so that the German delegation could consult with the Federal Government to formulate settlement proposals, and the representatives of the creditor interests could consult with their principals on the progress already made. The conference is to meet again on 19th May in London.

¹The date of adjournment was incorrectly given as 4th March in the item *German External Debts* in the issue of 17.4.52 2e(21), line 3.

UK Links with Western Europe

In a broadcast talk on the 21st April in the series entitled 'Britain and the Free World' on the BBC European Service, Mr. R. A. Butler, UK Chancellor of the Exchequer, drew attention to the close economic links between Britain and Western Europe and to the steady growth in co-operation between Britain and Western Europe since the war. Although the serious balance of payments deficit of Britain and the sterling area had necessitated, amongst other measures, some restrictions on UK imports from Western Europe these restrictions would be lifted, he said, as soon as the financial situation permitted. The long-term aims of British policy were and would remain the liberalization of imports, the progressive freeing of international payments, the full convertibility of sterling and the great expansion of trade which these measures would bring about. For the text of the Chancellor's talk see 1b in this issue.

COURSE OF UK TRADE WITH WESTERN EUROPE

Figures showing the value of UK trade with Western Europe over recent years, and the proportion which it bore to total UK overseas trade which were issued in the *Report on Overseas Trade* published by the Board of Trade, are summarized below.

UK TRADE WITH WESTERN EUROPE¹

I. VALUE—MONTHLY AVERAGES

£ Million

	1949	1950	1951	1951 4th qtr.	1952 Jan.	1952 Feb.
UK Imports (c.i.f.) from Western Europe ..	44.74	54.65	84.20	87.80	91.56	78.39
UK Exports (f.o.b.) to Western Europe ..	35.93	49.24	55.96	55.37	61.96	54.14

II. PERCENTAGE OF TOTAL UK TRADE

	1949	1950	1951	1951 4th qtr.
UK Imports from Western Europe as percentage of total UK Imports ..	23.60	25.14	25.81	26.47
UK Exports and Re-Exports to Western Europe as percentage of total UK Exports and Re-Exports ..	23.37	26.19	24.81	23.30

Brussels Treaty Organization

Agreement on Youth Travel Arrangements

The Brussels Treaty Organization announced on 1st April that the Treaty Powers—the United Kingdom, France, Belgium, the Netherlands and Luxembourg—had reached agreement on simplified passport arrangements to enable parties of young people to travel more freely in the five countries [see 24.1.52 2b(7)].

¹Non-sterling OEEC countries together with their overseas dependencies.

The earlier system, under which thousands of young people travelled in Europe each year in parties organized by schools and youth movements, dispensed with individual passports, names of members of the party merely being listed on a collective document. Regulations for the issue of these collective passports, however, varied from country to country, and complications sometimes arose when parties tried to cross frontiers.

The new agreement, which came into force on 1st April, provides simplified uniform collective passport arrangements, and in addition, the conditions of issue and use have been made more advantageous for the young travellers themselves. From 5 to 50 young people may use these collective passports, which are obtained from the ordinary passport authorities on the sponsorship of a school, youth movement, etc., and, provided all members are under 18 years of age, no visa will be needed for travel to France or the United Kingdom.

Conference on Youth Theatres

At the invitation of Belgium, dramatic art teachers of the five Brussels Treaty countries held a conference near Brussels from 27th March to 5th April [see 24.1.52 2b(7)]. The delegates, chosen from instructors in schools, youth organizations and adult education societies, exchanged information about what was done in their countries to make young people's theatrical productions an effective supplementary aid to education.

Among the subjects discussed were the training of instructors and the diplomas available, the training of young actors, the repertory of plays suitable for young people of different age groups, the help given by local authorities and the reactions of young players and their audiences to the productions.

RAF Gifts to Greek Villages

Visit by UK Ambassador

On 5th April Sir Charles Peake, the UK Ambassador in Athens, and Lady Peake visited Aidonochori and Molivdoskepaston, two Greek villages on the Albanian border and distributed to the villagers gifts sent by the RAF. The gifts, which included clothing, household utensils, goats, beehives and twelve pedigree sheep to improve the local stock, were the result of an appeal launched by Lady Slessor, wife of Marshal of the RAF Sir John Slessor, which brought in £4,000 and more than 500 bales of clothing.

The RAF have adopted the two villages, which were completely destroyed during the war as a reprisal for the harbouring of British service men working with the partisans.

International Materials Conference

First Annual Report 1951-52

The International Materials Conference (IMC) published on 29th April a report covering the first twelve months of its operation, from 26th February 1951 to 1st March 1952.

Besides reviewing the establishment, problems and development of the IMC, the report presents, in several instances for the first time, estimates of the supply position in the free world of the 14 commodities¹ with which IMC's commodity committees have been concerned. It shows what direct action has been undertaken through the IMC to cope with shortages, and indicates some of the work that remains to be done.

The report is divided into two major parts, Part I dealing with the Conference as a whole, Part II covering in greater detail the work of the seven commodity committees.

Establishment of IMC

The International Materials Conference was established in February 1951 following consultations between the governments of France, the United Kingdom and the United States, in the course of which it was decided to invite the principal producing and consuming countries to participate in a series of commodity groups to consider and recommend action on shortages in certain essential raw materials. These shortages, which had become acute after the outbreak of war in Korea, threatened to disorganize western rearmament plans and even to disorganize the economies of the western countries in a more general way. [For details of the organization of IMC, see 12.1.51 3b p.35 and 9.3.51 3b p.27].

Achievements

The main accomplishment of the IMC during its first year of operation was the development of plans for international distribution of the materials in short supply and the securing of their prompt acceptance by the participating countries. These plans have taken the form of recommended allocations to countries, and their implementation has been left to the countries concerned. Quarterly allocations have been recommended of tungsten, molybdenum, sulphur, copper, zinc, nickel and cobalt, and there have been emergency allocations of newsprint. In the case of sulphur, tungsten and molybdenum, present allocations cover the first six months of 1952, and it is hoped that distribution plans covering a six-month period can also be worked out for the other commodities. It is recognized that the longer the period covered by a distribution plan the better chance consuming countries have of making their own arrangements for procuring supplies within the framework of the plan. There are indications that, in the main, the allocations have been carried out as recommended.

The plans for the distribution of metals recognized three categories of needs: (1) defence, (2) strategic stockpiling, and (3) essential civilian consumption. Supply was insufficient to meet all of these needs in full and in some cases did not permit any special allowance for strategic stockpiling. The distribution plans adopted by the committees generally provided for meeting defence needs, if separately identified, in full, although even this was not possible in all cases, owing to inadequate supplies. The plans provided for distributing the balance of the supplies for stockpiling, when feasible, and for essential civilian consumption.

¹See table on page 28.

The committees have tried not to interfere with the normal channels of trade, but to take them into account as far as possible when making proposals for allocations. For this reason they have not recommended allocations by source.

Other Work

The commodity committees have also made studies of the expansion of production, economic utilization of available supplies, substitution of other materials, and means of controlling end-uses. A preliminary survey made by the secretariat, based upon information available to it, indicates that most countries participating in the IMC have adopted end-use or other controls which have the effect of economizing the use of scarce materials. Reference is made to action taken by the United Kingdom in this matter and also in increasing production of scarce materials. [For a summary of the measures of conservation and economy now being implemented in the United Kingdom see *Home Affairs Survey* 29.4.52 2a(49)].

FREE WORLD PRODUCTION AND CONSUMPTION, 1948-1950 Percentage Increases and Decreases

IMC Materials	PRODUCTION				CONSUMPTION			
	1949 compared with 1948		1950 compared with 1949		1949 compared with 1948		1950 compared with 1949	
	Inc.	Dec.	Inc.	Dec.	Inc.	Dec.	Inc.	Dec.
Copper (a) ..		6.7	16.5			12.0	23.3	
Zinc (a)	6.2		8.4			4.8	25.4	
Lead (a)	12.8		7.3			6.0	29.1	
Manganese Ore (b)	30.3		6.0			6.9	17.7	
Nickel (c) ..		4.7	5.2			17.4	33.7	
Cobalt (c)(d) ..	3.2		23.0					
Tungsten (e) ..		13.0		5.3		23.1	36.0	
Molybdenum (e)		14.3	30.0			6.7	22.5	
Sulphur (f) ..		1.2	12.0		0.1		16.8	
Kraft Pulp ..		4.2	21.2			3.3	28.2	
Dissolving Pulp ..		5.4	23.2		9.6		31.7	
Newsprint ..	8.5		6.0		10.5		8.4	
Cotton (g) ..	11.6			19.0	7.2		13.4	
Wool (h)	3.8		3.1			5.4	10.3	

(a) Production percentages are based on refinery production for copper and on smelter production for zinc and lead; consumption percentages are based on consumption of primary metal.

(b) 38 per cent manganese content and above.

(c) Refined metal, oxides and salts.

(d) Consumption data incomplete.

(e) Metal content of ore (consumption includes primary products as well as ores and concentrates).

(f) Sulphur as such.

(g) Raw cotton; production and consumption data relate to the crop years 1948-49, 1949-50 and 1950-51.

(h) Raw wool (clean); production data relate to the 1948-49, 1949-50 and 1950-51 seasons.

Supply Position and Prospects

The report reviews the supply position of the materials with which IMC is concerned. The table shows the changes in production and consumption between 1948 and 1950. In 1951, requirements for defence programmes and essential civilian consumption increased; so did production in many cases but not enough to overcome shortages.

The following is a current appraisal, summarized from the report of prospects in the near future:

Copper: Although some improvement in the free world position seems likely in the latter part of 1952, copper may well remain in short supply throughout the year.

Zinc: It can be expected that the zinc supply position will continue to improve and may be sufficient to meet restricted requirements later in the year.

Lead: Developments in recent weeks would indicate that availabilities of lead will be adequate in 1952.

Manganese Ore: Manganese ore is expected to be in easier supply in 1952.

Nickel: Continuance of the critical supply position of nickel for the remainder of 1952 is indicated.

Cobalt: It can be expected that cobalt will continue to be in short supply for the remainder of the year.

Tungsten: Tungsten is likely to be in short supply for the remainder of 1952 and for a further period thereafter.

Molybdenum: Molybdenum is likely to be in short supply during 1952 and for a further period thereafter.

Sulphur: It is likely that some net increase in production will take place in 1953 over 1952. However, preliminary figures for 1953 indicate a continuing shortage of sulphur of approximately the same magnitude as in 1952.

Kraft Pulp: Developments during the year brought about an apparent equilibrium of supply and demand of kraft pulp. This situation is likely to continue in 1952.

Dissolving Pulp: A study of the dissolving pulp situation in 1952 is now in progress.

Newsprint: Expanding production and a possible softening in demand may well solve the newsprint supply problems of most countries.

Cotton: The increased production and the decreased rate of consumption for the present season, as compared with the 1950-51 season, have eased the supply position considerably. Supplies for the 1952-53 season will be largely dependent on the crop in the coming year, the early prospects of which will be watched with special interest.

Cotton Linters: At the present rate of delivery, the supply for the balance of the 1951-52 season would seem to be at least adequate.

Wool: While it is difficult to compare supply and demand at this time of the season, the prevailing prices of wool do not indicate any excess of demand over resources.

Oil Pipelines in Iraq

New 30-inch Line Completed

On 22nd April 1952, six months ahead of schedule, the last section was laid of an oil pipeline constructed by the Iraq Petroleum Company at a cost of £43 million. The line leads from the Kirkuk oilfield—developed by the Company—in northern Iraq to the Syrian terminal at Banias on the Mediterranean, a distance of 556 miles across desert country. It is laid in 93-foot sections and has a diameter of 30 inches. Powerful pumping installations at present in construction along the line will, when completed, enable 14 million tons of crude oil annually to be conveyed to the Mediterranean. Oil production in Iraq is conditioned to a large extent by the pipeline capacity available for taking the oil to port, so that the new pipeline is essential to the increased production planned which will be the means of increasing Iraq's oil revenues.

Other IPC Pipelines

The Iraq Petroleum Company, under British management operating on behalf of an international group [see 6.4.51 3f p.35], were pioneers in the construction of trans-desert pipelines when, twenty years ago, they built twin 12-inch lines from Kirkuk to Haifa in Israel and Tripoli in Lebanon. Each of these has a capacity of a little over 2 million tons a year. Export of oil began in 1934, and between 1935 and 1947, except for a short period during the war, was at the maximum capacity of the two pipelines. Exports were curtailed in 1948 by the prohibition of the use of the Haifa pipeline, which has not been re-opened.

In the following year a new 16-inch pipeline from Kirkuk to Tripoli was completed giving, with the 12-inch Tripoli line, a combined capacity of 7½ million tons a year. Operations had to be suspended on another 16-inch line parallel to the existing Haifa line, owing to the outbreak of hostilities when the British Mandate in Palestine came to an end.

Exports from the recently discovered oilfield at Zubair in southern Iraq, worked by the Basrah Petroleum Company, an associate of the Iraq Petroleum Company, began in December 1951 [see 10.1.52 2d(5)]. The oil is carried through a 12-inch pipeline, 75 miles long, which terminates at Fao on the Persian Gulf. Present production is at a rate of about 1½ million tons a year.

Increased Iraq Oil Exports

Designs for the newly completed 30-inch line were first worked out five years ago and the construction was put in hand in November 1950, when American and British contractors began laying 160,000 tons of welded pipe imported from America. Shipments of crude oil from the new pipeline began on 11th April 1952, before the actual completion of the line. This was made possible by connecting the two unused Haifa lines to the completed portion of the new line, at a point 130 miles south-west of Kirkuk. The first consignments of oil from Banias have already reached Britain and other destinations in Western Europe.

By the end of 1952 it is expected that total Iraqi exports of oil from the pipelines terminating at Banias, Tripoli and Fao will be at a rate of over 23 million tons annually—nearly three times the 1951 rate.

The Moscow Economic Conference

An 'International Economic Conference' was held in Moscow from 4th to 12th April. Private persons—economists, industrialists and others—attended from the free countries, and officials from the Iron Curtain countries. The UK Government was not invited but it did not place any obstacle in the way of United Kingdom nationals who were attending. Soviet visas were refused for all non-Communist newspaper representatives who wished to report the proceedings.

Purpose

Attempts have been made to represent the conference as an opportunity for the free exchange of ideas leading to improved economic relations between East and West. The UK Government's view was expressed by Mr. Eden, Foreign Secretary, in the House of Commons on 4th February. 'It is clear,' he said, 'that its true purpose is to organize popular pressure in non-Communist countries against the present restrictions on the export of strategic materials to Russia, and against the defence programmes of the Western Powers'. He added that this view was shared by many organizations in Britain, including the Trades Union Congress. This, as Mr. Hopkinson, Secretary for Overseas Trade, noted in the House of Commons on 22nd April, did not prevent some delegates being there with a genuine desire to get business and to improve international relations.

Origins

Some light is thrown on this matter by the origins of the conference. The decision to convene it was taken at a meeting of the Soviet-controlled World Peace Council in Berlin in February 1951. Preparations began, but the conference was twice postponed and during the delay it was decided that it should not take place under the auspices of the World Peace Council. Instead, an 'International Initiating Committee' was formed which subsequently gave birth to a 'Preparatory Commission'. In this way it was hoped to give the impression that there was no link with any political organization. In fact, of the Initiating Committee's membership of about forty-six, more than thirty were nationals of Communist States—mostly Government officials or direct State employees—members of Communist parties or of the World Peace Council. Virtually all the rest were avowed Communist sympathisers. The National Preparatory Committees which were formed in a number of countries usually included members of the government or high government officials. The fourteen members of the Soviet Preparatory Committee included three deputy ministers and eight officials of State enterprises.

East-West Trade

Economic prosperity, and how to improve it, was the main topic of discussion at the conference with particular reference to the value of East-West trade to the West and of the need to remove the restrictions on exports imposed by Western governments. More than that, contracts were distributed providing for Communist purchases of Western manufactured goods. Members of the British delegation signed agreements providing for an exchange of goods with Russia and China and, it is reported, with Bulgaria, Roumania and Eastern Germany. The agreement with China covered an exchange of goods worth £10 million on or before

[Over

31st December 1952: United Kingdom sales to China would be made up of 35 per cent of textiles, 30 per cent of chemicals and 35 per cent of metals, while 25 per cent of China's sales to the United Kingdom would consist of coal, bristles and hog-casings, 20 per cent of eggs in various forms and 55 per cent of undefined produce. The deal with Russia covered the purchase of between £2 and £3 million of United Kingdom textiles in return for non-essential Russian products. These 'agreements' were not trade agreements in the conventional sense. While, for example, the Chinese delegates may have represented the Chinese Government and its trading organization, the British delegates could agree only as individuals that these exchanges appeared to them to be practicable and desirable.

UK Government's Attitude

These deals were referred to by Mr. Hopkinson in the House of Commons on 22nd April. There was no need to have a conference in Moscow to arrange them, he said. That could have been done any time through the Soviet Trade Delegation in London, through the Embassies of the Eastern European Powers in London, through the United Kingdom Chargé d'Affaires in Peking, or through the normal commercial channels. So far as China was concerned there were old established British business firms in Hong Kong and in China itself who were only too willing to take orders for textiles and other consumer goods. Yet, at the very time the Moscow Conference was being held, the Chinese Government was doing its best to squeeze out the British merchants still trying to carry on trade. 'Only yesterday . . . the Foreign Secretary referred to the Note which he has been obliged to address to the Chinese People's Government about the detention *incommunicado* of British subjects and other foreigners, which method is used as one of the means of bringing pressure to bear upon them to discourage their trading activities [see 1a in this issue].' As for Russia, the Board of Trade had been pressing official Soviet representatives in London for a considerable time to buy consumer goods, but not until the Moscow Conference was any indication given of willingness to buy. Nor had there been any reaction to the suggestion he—Mr. Hopkinson—had made at a recent meeting of the UN Economic Commission for Europe that Eastern Europe should buy more textiles from the West.

The UK Government welcomed the prospect of increased business, although, as regards the chemicals and metals mentioned by China, judgment would have to be reserved because many kinds of chemicals and practically all metals were not available for strategic¹ or supply reasons. But it was a matter for speculation whether, in view of the considerations mentioned above, there would be any practical results.

Speaking in London on 28th April on the subject of British trade with China, Lord Reading, Joint Parliamentary Under-Secretary of State for Foreign Affairs, referred to the pressure which the Chinese People's Government was exercising on British firms in China. He said: 'It is not for me to suggest the reason why Anglo-Chinese trade should bloom in the climate of Moscow but wilt in the climate of Hong Kong or Shanghai. But, following upon that somewhat exotic flowering in Soviet soil, Her Majesty's Government have already informed the Chinese People's Government that they will welcome any expansion of trade in goods not on the restricted list and will be glad to receive concrete proposals with that object'.

¹For security reasons the UK Government and other Western governments have imposed restrictions upon the export of certain strategic goods and materials to Communist countries.

Aims of ICFTU

May Day Manifesto and Broadcast

On 1st May the International Confederation of Free Trade Unions (ICFTU) broadcast a May Day message of hope and encouragement to workers in Soviet-dominated countries. This message was additional to the May Day manifesto, addressed to all workers, in which ICFTU reaffirmed its main aims and policies.

May Day Manifesto

The text of the ICFTU May Day Manifesto was as follows:
‘Workers of all lands,

‘The International Confederation of Free Trade Unions sends you its warmest fraternal greetings and calls upon you to demonstrate, this May Day, your firm determination to uphold the ideal of working class solidarity in the struggle for peace, freedom and social justice.

‘*Peace*: “For an unarmed world peace to free all peoples from the heavy burden of armaments and to restore peaceful economic relations between them.” That is the gist of the ICFTU peace appeal addressed to the United Nations. It voices a heartfelt longing of all the world’s toilers. Meanwhile, no appeasement of totalitarian aggressors in Korea and elsewhere. Stand firm by the United Nations. Aggression must not be allowed to pay.

‘Seven years have passed since the end of World War II. And still no final settlement with Germany and Austria! We demand the early conclusion of a peace treaty with Germany and free, secret all-German elections under international control. We demand an end to Soviet obstruction of an Austrian state treaty and the freeing of that small country from its intolerable burden. Let the prisoners-of-war still held by Russia and her satellites return. The cause of peace will not be served by endless perpetuation of bitterness and national hatred.

‘*Freedom*: Let us build peace into an enduring edifice firmly founded on full human and national freedom. That means: national self-determination for all peoples—for the peoples of the colonies including the subjects of the new Soviet Empire in Eastern Europe and Asia; the right of all workers to organize freely in trade unions of their own choice; an end to slave labour in the police states of Communist and Fascist dictators.

‘*Social Justice*: No nation can lay claim to real freedom while its workers are badly housed, poorly fed, deprived of security in old age, sickness and unemployment. No halt in the onward march of social progress! In the interest of peace, in the interest of freedom and human dignity, let us tackle forthwith the mammoth task of raising the living standards of the world’s disinherited. Millions of Asians, Africans, Latin Americans are clamouring for their social birthright: let us see they get it. Workers of the world! These are the aims of free labour banded together in the International Confederation of Free Trade Unions. Here are aims to which all democratic trade unionists can subscribe. Today there are 53 million workers fighting for their realization behind the banner of the ICFTU, but there is room for many more. Trade unionists all! Whatever your political creed or religious faith—whatever your race or colour—

the ICFTU stretches out its hand to you. In the struggle for a happier, freer and better world there can be only one democratic trade union front. Forward with the ICFTU for bread, for peace and for freedom!

Broadcast to Eastern Europe

The ICFTU broadcast pledged the free trade unions of the world to support with all their strength the efforts of people suffering under the police-state rule of the Soviets and their satellite regimes to free themselves from totalitarian oppression. It explained that the ICFTU is fighting for peace and therefore supports the efforts of the democratic nations to protect themselves against possible Soviet aggression. 'We stand for peace, but not for appeasement of aggression.'

The broadcast emphasized that Communist rulers in the Iron Curtain countries were exploiting the workers of those countries, and were out to deprive them of all civic and trade union rights. 'We the democratic labour movement of the free nations,' the message continued, 'demand the same rights for labour on both sides of the Iron Curtain. This is the difference between ourselves and the Communist-dominated organizations which are affiliated to the World Federation of Trade Unions. They will not do anything for the betterment of the situation of labour in countries ruled by the Communists, but they will support any action to disrupt the economy of democratic countries, because their only purpose is to support the Soviets in their political aims . . . Communist leadership of trade unions has been rejected by almost all workers of the free countries. We know that you would reject it, too, if you had the freedom to do so. Let the first of May of this year mark the beginning of a new effort for the creation of a more effective solidarity among labour on both sides of the Iron Curtain.'

The message recalled that ICFTU was created in order to co-ordinate the forces of democratic labour throughout the world so that they may move forward in unison toward their common goal that all men shall have bread, freedom and peace. ICFTU, it affirmed, was working hard to obtain each of these objectives . . . for bread by seeking a higher living standard everywhere, for freedom through 'economic and political democracy' and for peace by supporting efforts to protect free nations against Soviet aggression. 'On the other hand,' the message continued, 'we know as well as you do that the high-sounding slogans of the Communists calling for peace, democracy and social justice are nothing but empty words aimed at deceiving you and the people of the free world.'

The message concluded: 'We are well aware of the difficulties before us, but we are convinced that together we will win the fight for bread, peace and freedom for you, for us, and for all the peoples of the world.'

The International Confederation of Free Trade Unions was formed in 1949 after the withdrawal of free trade unions from the Communist-dominated World Federation of Trade Unions (WFTU). A short history of international association between trade unions, and of the United Kingdom's part in its development, is given in a reference paper BRITISH TRADE UNIONS AND INTERNATIONAL ASSOCIATION (R.2351 of 10.3.52, classification I. 2g).

Teaching for International Understanding

UK National Commission for UNESCO Conference

A pamphlet¹ entitled *Teaching for International Understanding*, issued by the United Kingdom National Commission for UNESCO, was discussed at a conference held by the Commission in London on 22nd April.

In a foreword to the pamphlet, Miss Florence Horsbrugh, UK Minister of Education, says that it is the firm belief of the UK National Commission that an international organization, such as UNESCO, can thrive and bear fruit only if the member-states of which it is composed both believe in it and are prepared to translate their beliefs into action.

The pamphlet stresses that neither citizenship nor international understanding can be taught in isolation from the normal curriculum and activities of the school but is 'something which forms part of the stuff of other subjects and should therefore arise out of them'. There is hardly a subject which cannot make its own contribution to this end, although the subjects which lend themselves most readily to this kind of treatment are those with an obvious social or civic content, such as history, geography and science, modern languages, and subjects belonging to the aesthetic side of education like drama, music and the arts.

International understanding cannot, in fact, be taught at all, but an atmosphere conducive to its growth can be created. To do this, two conditions are necessary: firstly, that there is a growing sense of citizenship inherent in the life of the school; secondly, that there is an approach to the problem of international understanding through stages beginning with an understanding of the local community, for 'it is certain that we shall not produce good citizens of the world unless we have first produced good citizens of the neighbourhood'.

Civic studies, as such, should not be attempted before about 11 years, at which age children move to the secondary stage of education. While junior school children ought to learn about the children of other lands, any direct teaching for international understanding at the primary stage should be discouraged. At the secondary stage there is a wide range of ability and aptitude in all schools, but teaching for citizenship and international understanding is a need common to all such schools. The youth service presents a problem, yet those elements of youth which are to be found in evening institutes, in classes under part-time day release schemes, and in youth centres and discussion groups offer a great opportunity for a constructive effort in teaching for international understanding, given at least the conditions of qualified leaders and appropriate methods and materials. The role of the youth leader in his own sphere of informal education is no less important than that of the teacher in the more formal atmosphere of the school.

The pamphlet points out that teachers hold a key position in the developments advocated and that education for citizenship and international understanding should form an integral part of any teacher's training.

'Teaching for citizenship and international understanding must not be regarded by the teacher as an extraneous duty or a piece of political propaganda. It is, in fact, fundamental to our survival and the teacher's part in it is consequently vital'.

¹Published by HM Stationery Office, Price 3s. 6d.

International Help for Children

Rehabilitation of European Victims of War

'International Help for Children', a British organization financed by voluntary subscriptions, has announced that, between October 1949 and March 1951, 72 children from devastated villages in Greece have come to the United Kingdom for visits of from six months to two years. All the children, who were suffering from malnutrition, have now returned home restored to health of body and mind. A small number of very badly maimed children have received treatment at British hospitals and have been fitted with artificial limbs, under the National Health Scheme. There are 12 Greek children at present remaining in the United Kingdom who are being trained for trades and professions. Another party of 25 Greek children is expected to arrive in July.

The Work of the Organization

International Help for Children, whose President is the Lord Mayor of London, was set up in 1947 with the object of providing recuperative holidays for European children who had suffered from war and the after-effects of war, and procuring for them free hospitality in private families. During the last four years the society has brought about 2,000 European children to the United Kingdom, including 1,024 from France, 492 from Germany, 234 from Belgium, 84 from Italy, 55 from Norway, 20 from Denmark, and 14 from the Netherlands, as well as the 72 from Greece. More children, including some who have suffered from the flood disasters in Italy, are expected this year. In addition some 1,800 British children, mostly orphans or children whose fathers were killed in the war, have spent holidays in private homes in France, Belgium, Norway, Denmark and Luxembourg, and 250 are going during 1952 to these countries and to Italy and Germany. Three parties each averaging 23 British children suffering from asthma have been sent to La Bourboule, the French spa specializing in the treatment of this condition, and another 40 children will go there in 1952.

International Help for Children works in Europe through existing organizations where these are available, as, for example, in Greece through the 'Save the Children Fund'. The work in the United Kingdom is organized by some 40 voluntary committees throughout the country, usually under the leadership of the local mayor. Children visiting the United Kingdom are accompanied by a leader from their own country, who supervizes their welfare. They usually spend some time at the society's convalescent home in Surrey before going on to the private families who have volunteered to receive them into their homes without payment of any kind and to give them the care and security of normal family life.

INTERNATIONAL SURVEY

W. H. R. 157

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The Press of the Free World

International Federation of Journalists Formed

The International Federation of Journalists (IFJ) was set up on 7th May, when its constitution was adopted by a world congress, meeting in Brussels between 4th-10th May, of delegates from trade unions of professional journalists in sixteen countries.

Presenting the report of the preparatory committee to the congress, Mr. Harry Martin, of the American Newspaper Guild, said that at the congress were gathered leading representatives of the trade unions of journalism in a majority of those countries where freedom of expression and freedom of organization still exist. Recounting the circumstances leading to the preliminary conference in Paris in October 1951 which had prepared for this world congress, Mr. Martin spoke of the failure of international co-operation through the International Organization of Journalists.

Failure of the International Organization of Journalists

The International Organization of Journalists (IOJ) was set up in 1946, and its stated objectives included protection of the liberty of the Press, the promotion of international understanding through free interchange of information, and the protection of the professional rights and interests of journalists. However, the IOJ came increasingly under Communist influence, and in 1949 the member organizations in Australia, Austria, Belgium, Denmark, Greece, the Netherlands, Norway, Sweden, the United Kingdom and the United States withdrew from the organization because it was being misused for partisan political purposes. In his letter of resignation from the presidency of the IOJ, Mr. Archibald Kenyon (UK) described the organization's Prague headquarters as having become, in effect, little more than a branch office of the Cominform.

The Constitution of the International Federation of Journalists

The constitution of the IFJ lays down that the organization has been created to deal with matters related to the practice of journalism and with the maintenance of press freedom, and political and ideological questions will be inadmissible at the Federation's meetings.

The principal objects of the Federation are the protection of the freedom of journalists to collect, comment on and distribute information, and the collection and publication of professional and statistical information useful to journalists. A proposal is under consideration for establishing an international code of ethics for journalists. The Federation will establish and maintain the closest relations with the United Nations and its competent specialized agencies.

The constitution provides for a president and vice-presidents representing six regions: Africa, Asia, Australasia, Europe, North America and South America. The work of the Federation will be done by a bureau meeting at half-yearly intervals, an executive committee meeting yearly, and a congress convening every two years. The headquarters of the Federation will be in Brussels. The congress elected as president Mr. C. J. Bundock, former general secretary of the UK National Union of Journalists.

International Press Institute's First Assembly

The first general assembly was held in Paris from 14th-16th May of the International Press Institute (IPI), an international organization of editors from the free countries of the world whose objectives are the preservation and strengthening of the free Press, the promotion of the free exchange of accurate news among nations, and the improvement of journalistic practices.

Programme of the Assembly

The assembly was attended by over 100 editors representing 22 countries. On 14th May, in a discussion on 'the flow of news', representatives of four major international news agencies explained their working methods and the principles which guide them.

On 15th May the assembly considered 'the news from Russia', and experts on Russian affairs discussed problems involved in the Institute's plan of preparing a report on coverage, presentation and interpretation of news from Russia. The speakers included Mr. Edward Crankshaw of *The Observer*. Later, under the chairmanship of Mr. A. P. Wadsworth, editor of the *Manchester Guardian*, a panel of eminent non-journalists gave their criticisms of the way the Press performs its functions. The speakers were Don Salvador de Madariaga, Honorary Fellow of Exeter College, Oxford; Professor Denis Brogan, Professor of Political Science at Cambridge University; Professor Rappard, Director of the Graduate Institute of International Studies, Geneva; and Professor Irwin Edman of Columbia University.

On 16th May consideration was given to the work of foreign correspondents, and four foreign correspondents of *The Times*, *The New York Times*, *Le Monde*, and *Nieuwe Rotterdamsche Courant* explained their conceptions of the function and difficulties of a foreign correspondent. At its final session the general assembly discussed the policy of the IPI and instructed the Director to initiate studies into the flow of news in different parts of the world.

The International Press Institute gave a luncheon, on each day of the assembly's meetings, at which the guest speakers were M. Robert Schuman, French Foreign Minister, Lord Ismay, Secretary-General of NATO, and General Gruenther, Chief of Staff to the Supreme Allied Commander in Europe.

Organization of the International Press Institute

The International Press Institute was established at a conference of editors in Paris in May 1951, having received grants from the Ford and Rockefeller Foundations. It is controlled by an international executive board, whose chairman is Mr. Lester Markel, Sunday editor of the *New York Times*. In November 1951, Mr. E. J. B. Rose, who was literary editor of *The Observer*, was appointed Director of the Institute. The secretariat at Zürich is in liaison with the national committees which represent 446 members in 32 countries.

The West and Germany

Mr. Eden's Statement in Parliament

In a statement in the House of Commons on 14th May on the European situation, Mr. Eden, UK Foreign Secretary, reviewed developments in the negotiations for contractual relations with the German Federal Republic and on German participation in Western defence, and spoke of the recent exchanges of Notes with the Soviet Union on the question of German unity and a peace treaty with Germany.

Contractual Relations with German Federal Republic

Mr. Eden reviewed briefly the progress made since the decisions approving German participation in Western defence and the negotiation of contractual relations with the Federal Republic in the light of a German defence contribution [see 29.12.50 1c p.7, 21.9.51 1a p.5, 21.2.52 1f(20) and 6.3.52 1f(39)]. He said that it was intended that the contractual agreements and the European Defence Community (EDC) treaty should be signed this month, but they would enter into force together only after being ratified by all the countries concerned.

'These agreements', stated Mr. Eden, 'will not be a peace treaty with Germany, because such a treaty can only be reached with the Soviet Union and when there is a united Germany.' Meanwhile, in view of the international situation and in the common interests of the Germans and the Western Powers, the Allies must retain certain rights relating to the stationing of armed forces in Germany, to the protection of the security of those forces, and to Berlin. 'Subject to this', said Mr. Eden, 'the aim of these agreements is to restore to the German Federal Republic the fullest possible measure of sovereignty and freedom.'

Germany and the EDC

Mr. Eden said that there was a general desire—shared by the Germans—that the German contribution to Western defence 'should be made in the manner least likely to revive those forms of militarism and nationalism from which Europe has suffered so much in the past.' The Western Powers, he said, were 'anxious that it should not take a form which could appear to threaten the security of Eastern Europe or of the Soviet Union.' On the contrary, they wanted 'to make it clear to all that it was designed only for defensive purposes.'

The idea of the European Defence Community was devised on French initiative to meet this need, an idea which 'fitted naturally into the general demand felt throughout Europe for new forms of integration and unity amongst its people.' Mr. Eden then spoke of the organization of EDC, and added that care had been taken to balance national contributions so that no one Power could dominate the Community, and that EDC forces would form only one element in the NATO forces entrusted to SHAPE for the defence of Western Europe. 'This', he said, 'is a much better method of handling this difficult business than by German national forces in an isolated Germany', as had been proposed by the Soviet Government [see 3.4.52 1i(13)].

The Effect of Western Unity on Soviet Policy

Mr. Eden declared that the European Defence Community, the Schuman Plan, the contractual relationship with Germany, and the re-organization

of the North Atlantic Council, which were coming into being together, could be 'the opening of a new era of Western solidarity.' He said that the growing unity and confidence of Western countries was having its effect upon the policy of the Soviet Union. It might be that the Soviet Notes on German unity were designed to delay the conclusion of the Western arrangements, or on the other hand they might indicate a change in Soviet policy, and perhaps a desire for a settlement of some points. The Foreign Secretary added: 'What is essential is that all such approaches shall be carefully examined and probed. It would be inexcusable not to take every action in our power to find out exactly what these moves do mean and whether they can be made . . . the basis for an understanding and some relaxation of tension. That is precisely what we have tried to do in our latest reply to the Soviet Note' [see li in this issue].

Freedom Essential for an All-German Government

Mr. Eden stated that the UK Government's views on German unity had been outlined in its Note of 13th May to the Soviet Government [see li in this issue], and he referred to the German Federal Government's satisfaction that the need for freedom of action for an all-German Government had been emphasized. In reply to a question, Mr. Eden said that the UK Government's view was that if an all-German Government were formed after free elections, it should be 'at least as free as the Government of Western Germany is now, and not tied and restricted as the Government of Eastern Germany is now.'

The European Defence Community

Draft Treaty Initialled

On 9th May the draft of the treaty for the establishment of a European Defence Community (EDC) was initialled by the heads of the delegations of the six participating countries—France, Belgium, the German Federal Republic, Italy, Luxembourg and the Netherlands. The texts were then submitted to the six Governments for their further consideration, and it was announced in Paris on 14th May that the Foreign Ministers of the participating countries would meet on 19th May for a final examination of the draft treaty in preparation for signature.

A communiqué issued in Paris on 9th May on behalf of the participating Governments recalled that the proposed EDC had 'exclusively defensive aims', and that it was intended 'to secure member states against all aggression by taking part in Western defence within the framework of the North Atlantic Treaty'. The statement added: 'The provisions of the treaty emphasize this peaceful character at the same time as the necessity for close co-operation between the EDC and the Atlantic Powers, particularly the United Kingdom and the United States, whose Governments, represented at the conference by observers, together with Supreme Headquarters in Europe, unceasingly gave evidence of the interest which they felt over the success of its work.'

Discussions on UK Links with EDC Forces

On 12th May Field-Marshal Lord Alexander, UK Minister of Defence, had discussions in Paris with M. Pleven, French Minister of National Defence, on ways of developing practical links between UK forces and the forces of the future European Defence Community (EDC). It will be recalled that Mr. Eden, UK Foreign Secretary, had declared in the House of Commons on 5th February that the United Kingdom intended to be associated 'as closely as possible with the European Defence Community in all stages of its political and military development', and added some suggestions on the practical ways in which that association might be maintained [see 7.2.52 1f(18)]. Mr. Eden had further stated in Parliament on 21st April that the practical aspects of UK association with EDC would shortly be discussed by the UK and French Ministers of Defence.

Studies Initiated on Practical Arrangements

The communiqué, issued on 12th May after the discussions between Lord Alexander and M. Pleven, stated that 'the conversations had as their object the working-out of suggestions made by Mr. Eden in the House of Commons on 5th February, according to which, as long as the over-riding requirements of SHAPE were fulfilled, British armed forces on the Continent would co-operate as closely as possible with the European Defence Community forces and would be associated with them in matters of training, administration, and supplies.

'The two Ministers examined the nature of the arrangements which could be made, for example, to permit individual elements and formations of the European Defence Community to have instruction and training with British formations on the Continent, as well as to permit the exchange of units and officers between the British and European forces. This objective requires extensive study in the realm of logistics.

'They considered that a wide association of the air forces of the United Kingdom and Europe would constitute a particularly profitable field of action. The studies in prospect will be pursued in coming weeks, notably by means of a British liaison mission headed by Air Vice-Marshal Merer [see 17.4.52 If(56)], which will work with the military experts of the future European Defence Community.'

UK-US Exchange of Military Lectures

Field-Marshal Sir William Slim, Chief of the Imperial General Staff, visited the United States in April for the sixth annual exchange of military lectures between the United Kingdom and the United States. He delivered his first lecture at the US Military Academy, West Point, on 5th April, and later addressed the US Command and General Staff College, Fort Leavenworth, Kansas; the US National War College, Washington; and the US Army War College, Carlisle Barracks, Pennsylvania.

General Hull, Vice-Chief of Staff, United States Army, arrived in the United Kingdom on 9th May to give a similar series of lectures. On 12th May he visited the School of Artillery at Larkhill and later delivered his first lecture at the Staff College, Camberley. General Hull addressed the Royal Military Academy, Sandhurst, on 15th May, and will lecture to the Imperial Defence College, London, on 19th May. He will visit Field-Marshal Sir William Slim on 20th May at the War Office, where he will also meet members of the Army Council.

These exchanges of lectures are sponsored by the Kermit Roosevelt Fund, which was established to promote better understanding and closer relations between the military services of the United Kingdom and the United States.

Council of Europe Assembly

United Kingdom Representatives

On 1st May, Mr. Churchill, UK Prime Minister, announced in the House of Commons the names of the United Kingdom representatives to the fourth session of the Consultative Assembly of the Council of Europe, which will open in Strasbourg on 26th May. The distribution of the appointments between the parties is the same as in the previous delegation—nine members of the Conservative Party, eight members of the Labour Party and one representative of the Liberal Party [see 30.11.51 1d p.17]. The list is as follows:

CONSERVATIVE

Mr. A. Nutting, Parliamentary Under-Secretary of State for Foreign Affairs

Mr. J. Amery

Mr. R. Boothby

Lord John Hope

Lt.-Col. H. M. Hyde

Mr. H. Kerr

Mr. C. Mott-Radclyffe

Lady Tweedsmuir

Lord Tweedsmuir

LABOUR

Miss A. Bacon

Mr. A. G. Bottomley

Mr. G. Brown

Mr. G. Darling

Mr. G. de Freitas

Mr. P. C. Gordon-Walker

Mr. A. Robens

Mr. W. Ross

LIBERAL

Lord Layton (Member of House of Lords)

Substitute Representatives

It was announced by the Prime Minister's Office on 8th May that the following substitute representatives had been appointed.

CONSERVATIVE

Major T. Beamish

Lord Fairfax of Cameron

Mr. D. Renton

Mr. J. K. Vaughan-Morgan

LABOUR

Mr. H. Bowden

Mr. D. Healey

Mr. F. Peart

Rev. L. Williams

LIBERAL

Mr. D. Wade

A reference paper entitled THE UNITED KINGDOM AND THE COUNCIL OF EUROPE, R.2396, issued on 8.5.52, summarized the development of the Council of Europe's activities and outlined the UK proposals for the future of the Council, which were presented by Mr. Eden to the Committee of Ministers on 19th March and which will be discussed by the Ministers at their next meeting on 22nd May. Biographies of the UK representatives are available in the Biography Service.

Austrian Chancellor in London

Official Visit to United Kingdom

Dr. Figl, the Austrian Chancellor, arrived in London on 7th May on an official visit to the United Kingdom. He was accompanied by Frau Figl and Sir Harold Caccia, UK Ambassador and High Commissioner in Austria. Dr. Figl left on 10th May for a similar visit to the United States, after which he will visit Paris as the guest of the French Government.

During his stay in the United Kingdom, the Austrian Chancellor was received in audience by Her Majesty the Queen, and had discussions with Mr. Churchill, Mr. Eden, and Mr. Butler, Chancellor of the Exchequer, on questions of common interest to Austria and the Western Powers. On 8th May he spoke to the Foreign Press Association at a luncheon in his honour, and also addressed a meeting of the Inter-Parliamentary Union at the Houses of Parliament. On 10th May, before his departure for the United States, Dr. Figl and his party were taken by river to see the Port of London.

Dr. Figl's Message to Mr. Churchill

At the conclusion of his visit, Dr. Figl sent the following message to Mr. Churchill:

'On leaving the United Kingdom I beg to express my heartfelt thanks for the most cordial reception you so kindly extended to me, and for the opportunity you gave me to exchange our views in full confidence with yourself, the Secretary of State for Foreign Affairs and your Ministers. I have been greatly honoured by the gracious reception which Her Majesty Queen Elizabeth awarded to me. I have been particularly happy that the Governments of both our countries share the desire for a peaceful development in Europe and throughout the whole world. Allow me to express my sincere wishes that the endeavours of Her Majesty's Government and of the entire Parliament for Great Britain's and the Commonwealth's prosperity may be crowned by success.'

Mr. Churchill's Reply

Mr. Churchill replied:

'I was deeply touched by your telegram. In return, may I send you not only my own good wishes, but also those of Her Majesty's Government for the future prosperity of your country. We hope that the time is not far off when Austria will again enjoy full independence and be free to play her full part in the counsels of Europe.'

Korean Armistice Negotiations

Utmost Limit of UN Concessions

On 28th April, the UN Command representatives at the Korean armistice discussions made fresh proposals designed to settle the three major points of difference which had for some time held up the conclusion of an armistice [see 20.3.52 1h(43) and 17.4.52 1h(55)].

The UN Command's Proposals

In the course of a statement to the House of Commons on 7th May, Mr. Eden, UK Secretary of State for Foreign Affairs, said that, in the first place, the UN Command offered to agree that the armistice provisions should make no reference to the reconstruction or rehabilitation of air-fields in Korea. This, he said, 'is a question to which the United Nations Command has hitherto attached very great importance, in view of its responsibility for the security of United Nations forces after the conclusion of an armistice. It has nevertheless been found possible to abandon our insistence on this point, provided a satisfactory solution can be obtained on the other outstanding questions. This proves once again the willingness of the United Nations Command to stretch the limits of concession to the utmost in their earnest desire to reach a just and honourable settlement.

'Secondly, the United Nations Command have expressed their readiness to accept the Communist nomination of Poland and Czechoslovakia for membership of the neutral commission for the supervision of the armistice, provided that the Communists would accept the nomination by the United Nations Command of Sweden and Switzerland in the same capacity.'

Finally, the suggested solution, Mr. Eden said, provided that the UN Command 'would exchange the 70,000 persons approximately who do not refuse to be repatriated, for the 12,000 men¹ of the United Nations Command whom the Communists state they are now holding as prisoners of war. Following an armistice, the United Nations Command would still be willing to permit any suitable international body, or joint Red Cross teams, together with observers from both sides, to interview persons held by the United Nations Command who have indicated that they would physically oppose repatriation. If it were then found that there were additional persons who would not so object, these would be promptly returned to the Communists.'

UN Methods of 'Screening' Prisoners of War

Mr. Eden then gave an account of the conduct of the investigation which established that only about 70,000 out of the 132,000 prisoners of war held by the UN Command would not violently object to repatriation.

'Written notices', he said, 'were posted in the prisoner-of-war camps, and announcements were made over the public-address system there, to the effect that all prisoners were to be interrogated by impartial United Nations Command personnel to decide who would want to be repatriated

¹Mr. Eden subsequently gave the following detailed figures for prisoners of war held by the Communist Commands, which he said were 'necessarily tentative' since no facilities for checking them through the International Red Cross had been allowed: United Kingdom 919; other Commonwealth countries 12; United States 3,201; Turkey 234; South Koreans 7,150; other nations 52. In addition there were some 50,000 South Koreans missing who had not been accounted for.

and who had compelling reasons for refusing repatriation. The extreme importance of the decision and its likely effects on prisoners' families within Communist territories were emphasized. The fullest publicity was given to an official statement issued by the Communist authorities on 4th April offering an amnesty to all returned prisoners of war, whatever their conduct in camp. Prisoners were then interrogated individually and privately by interrogators carefully selected by the United Nations Command, and only those who expressed their determination to resist repatriation were excluded. There was thus no question of pressure being put on prisoners not to return.' Mr. Eden emphasized that no representatives of the Chinese Nationalist Administration of Formosa had taken part in this screening of prisoners of war.

Mr. Eden said that, in view of the scrupulous fairness of the interrogation and of the offer made by the UN Command to the Communist Commands for subsequent rechecking by independent bodies with Communist observers present, the UN Command had had no alternative but to resist the forced repatriation of Communist prisoners of war who had shown such strong determination to remain in the free world. This was apart from 'the practical difficulties of forcibly repatriating more than 62,000 men, many of whom could be expected to attempt suicide on the way.'

Communist Rejection of UN Proposals

The UN Command's proposals of 28th April were embodied in a draft for the entire armistice agreement, which incorporated all the agreements reached hitherto on the items of the agenda for the armistice negotiations.

'The Communists', Mr. Eden said, 'were invited to consider this offer as a whole and not as a series of proposals, each open to separate discussion. It represents the limit of possible concession. At the same time it is a just offer, which the Communists could accept with confidence, providing they are, as I assume them to be, no less sincere than the United Nations Command in their wish for a settlement of the Korean conflict. The Communist negotiators have not accepted this offer. They have instead put forward a counter-proposal under which the nomination of the Soviet Union as a neutral nation is withdrawn, but at the same time they have continued to reject the right of prisoners of war to decline repatriation after an armistice.'

'This is, of course, the essential point of principle on which the United Nations Command are not prepared to compromise. The United Nations Command have shown great patience in explaining and discussing their proposal in further closed plenary sessions. The time has now come when it is right that the world should know the terms of the United Nations Command's offer and the nature of its reception. The United Nations Command will, as always, be ready to carry on the meetings with the Communist negotiators and to continue the search for acceptable terms for an armistice; but it must be clearly understood that the United Nations Command will not agree to force prisoners of war to be repatriated against their will.'

A similar statement was made by General Ridgway, the UN Commander in Korea, on 8th May, following the rejection by the Communists of the UN proposals for an agreed armistice.

German Peace Settlement

Western Powers' Proposals

On 13th May the United Kingdom, United States and French Governments, after consultations with the German Federal Government and the German authorities in Berlin, replied in identical terms to a Soviet Note of 9th April, which reiterated the views of the Soviet Government on the unity of Germany and the conclusion of a peace treaty with Germany, as expressed in its previous Note of 10th March. [A summary of the Soviet Note of 10th March and the text of the UK Note of 25th March in reply were given in the issue of 3.4.52 li(12)]. The three Western Powers proposed that an impartial commission should immediately determine whether there existed throughout Germany the conditions necessary for the holding of free elections and, if not, should recommend to the four Powers what steps should be taken to create such conditions; that the United Nations Commission, which was already available, should be used for this purpose, although the Western Powers were ready to consider any other practical and precise proposals for an impartial commission of investigation; and that, as soon as the report of such an impartial commission was available, representatives of the four Powers should meet to seek agreement on the early holding of free elections throughout Germany and on the assurances to be given by the four Powers that the all-German Government, formed as the result of these free elections, would have the necessary freedom of action during the period before the peace treaty came into effect.

The United Kingdom Note

The text of the UK Government's Note of 13th May was as follows:

'In reply to the Soviet Government's Note of the 9th April, Her Majesty's Government wish to make the following observations in regard to the unity of Germany, the election of a free all-German Government and the conclusion of a peace treaty with that Government. It remains the policy of Her Majesty's Government to achieve these objectives on terms that will ensure unity with freedom and peace with security.

'They are ready to begin negotiations with the Soviet Government on these issues and desire to do so just as soon as it is clearly apparent that it is also the intention of the Soviet Government to avoid the fruitless discussions of the past. But Her Majesty's Government and the United States, French and Soviet Governments must first reach a clear understanding upon the scope of the negotiations and upon the fundamental problems to be examined. Proper preparation is essential to success and to avoid long delays. The Soviet Government's Note of 9th April throws little new light on what they consider should be the means for ensuring the success of any such negotiations.

'In their latest Note the Soviet Government now stipulate that Germany must not be included "into one or another grouping of powers directed against any peace-loving state". Germany's proposed membership of the United Nations should surely make any such provision unnecessary. In any case Her Majesty's Government could not accept any provisions forbidding Germany to enter into association with other states which one of the signatories of the peace treaty might arbitrarily choose to regard as "directed against any peace-loving state". They cannot admit that Germany should be denied the basic right of a free and equal nation to

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associate itself with other nations for peaceful purposes. They must assume that the Soviet Government likewise cannot object to Germany's right to enter into defensive agreements.

'In their Note of the 25th March Her Majesty's Government pointed out that they are giving full support to the efforts which the free states of Western Europe, including the German Federal Republic, are making to bring into being a peaceful European community and thus to begin a new era in which international relations will be based on co-operation and not on rivalry and distrust. Her Majesty's Government welcomes the development of such a European Community in which Germany will participate. Germany is divided because Europe is divided. This policy of European unity cannot threaten the interests of the Soviet Union or of any country whose policy is devoted to the maintenance of peace. Her Majesty's Government will, therefore, not be deflected from their support of this policy. They are more than ever convinced that it represents the true path of peace.

'Her Majesty's Government have no responsibility for the failure to extend this co-operation beyond its present limits. They remain ready to examine with sincerity and goodwill any practical and precise suggestions designed to reduce tension and to heal existing divisions.

'A German peace treaty can be worked out only if there is an all-German Government formed as a result of free elections and able to participate in full freedom in the discussion of such a treaty. It is therefore not possible to hold discussions now about the provisions of a German peace treaty. Her Majesty's Government have already made known their views on some of the Soviet Government's proposals, especially their erroneous interpretation of the territorial provisions of the Potsdam protocol and their intention to confine Germany in a position of permanent isolation from Western Europe, while obliging her to seek to provide for her defence solely through her own national armed forces. The Soviet proposals would mean permanent shackles upon Germany's rights of international association and a permanent state of tension and insecurity in the centre of Europe.

'The all-German Government resulting from free elections must itself be free. Such freedom is essential both before and after a peace treaty has been negotiated. It must be able to maintain its genuinely representative character, to assume its responsibilities as the Government of a reunited Germany and to play its full part in the discussion of the peace treaty. This question of freedom is therefore inseparable from the problem of elections. The Soviet Government have still failed to give any indication of their views on this subject. Her Majesty's Government must ask specifically whether the Soviet Government consider that an all-German Government, resulting from free elections, would be under four-power control until after the conclusion of a peace treaty or whether they agree that it should have the necessary freedom of action and powers of government.

'Her Majesty's Government are glad to note that the Soviet Government now agree in principle that there should be free elections throughout Germany. Such free elections can, however, only be held if the necessary conditions exist in all parts of Germany and will be maintained not only on the day of voting and prior to it but also thereafter. An essential first step is, therefore, to ensure such conditions. Otherwise no progress can be made. In recent years the eastern part of Germany has evolved in a direction increasingly divergent from the main path of German progress. This is a principal reason why an impartial inquiry is needed before elections can take place.

'The Soviet Government do not agree, however, that the international commission set up by the General Assembly of the United Nations should

carry out such an inquiry throughout Germany. They base this refusal on their interpretation of Article 107 of the United Nations Charter. But this reads as follows: "Nothing in the present Charter shall invalidate or preclude action, in relation to any state which during the Second World War has been an enemy of any signatory of the present Charter, taken or authorized as a result of that War by the Governments having responsibility for such action". These words clearly do not preclude the United Nations from considering these aspects of German affairs. This interpretation was upheld by the United Nations General Assembly by an overwhelming majority. However, even under the Soviet Government's erroneous interpretation of the Charter, there is nothing to prevent the four Powers from availing themselves of the United Nations Commission in order to determine the conditions in which genuinely free elections could be held throughout Germany.

The Soviet Government suggest instead that responsibility for the inquiry could be entrusted to a commission formed by the four Occupying Powers. Before Her Majesty's Government could feel assured that this suggestion would result in an impartial inquiry they would need to know what would be the composition and functions of such a body. A commission composed solely of members with direct responsibilities in Germany would be both judge and party. Experience during the period of four-power control of Germany suggests that it would not be able to reach useful decisions. Thus the elections would be greatly delayed. Nor can Her Majesty's Government overlook the fact that the appointment of a four-power commission might be interpreted as a step towards the re-establishment of four-power control in Germany. This would be a retrograde move, out of keeping with constitutional developments in the Federal Republic.

For these reasons Her Majesty's Government maintain their preference for the United Nations Commission: it is already in being, its functions have been laid down and it can take action without delay. Nevertheless, Her Majesty's Government are ready to examine every possibility of determining whether conditions of freedom exist throughout Germany for the holding of genuinely free elections. Her Majesty's Government, in agreement with the United States and French Governments and after consultation with the German Federal Government and the German authorities in Berlin, accordingly make the following proposals:

- (i) An impartial commission should immediately determine whether there exist in the Soviet zone of Germany, as well as in the German Federal Republic and in all sectors of Berlin, the conditions necessary for the holding of free elections and, if not, should recommend, for consideration by the four Powers exercising responsibilities in Germany, what steps should be taken to create such conditions. The four Powers should give the necessary facilities for the investigations of such a commission in the German Federal Republic, in the Soviet zone and in all sectors of Berlin. The three Western Powers and the German Federal Government have already stated their willingness to do so.
- (ii) The four Powers should utilize for this purpose the United Nations Commission which is already available. This seems the quickest and most practical course.
- (iii) Despite their strong preference for the procedure under (ii) above, Her Majesty's Government are ready to consider any other practical and precise proposals for an impartial commission of investigation which the Soviet Government may wish to put forward, on the one condition that they are likely to promote the early holding of free elections throughout Germany.

(iv) As soon as the report of such an impartial commission is available, representatives of the United Kingdom, United States, French and Soviet Governments would meet to consider it, with a view to reaching agreement on:

- (a) the early holding of free elections throughout Germany, including the creation where necessary of the appropriate conditions;
- (b) the assurances to be given by the four Powers that the all-German Government, formed as the result of these free elections, will have the necessary freedom of action during the period before the peace treaty comes into effect.'

The texts of the Soviet Note of 9th April and the above UK Note in reply of 13th May were given in Cmd. 8551—FURTHER CORRESPONDENCE BETWEEN HER MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM AND THE SOVIET GOVERNMENT ABOUT THE FUTURE OF GERMANY.

UN Commission of Inquiry

The United Nations Commission of Inquiry, appointed to investigate conditions for free elections in Germany, reported to the UN Secretary-General on 1st May that at present there was little prospect that it would be able to carry out its task, as it had been unable to make reciprocal contact with the authorities in the Soviet zone of Germany and the eastern sector of Berlin. The commission was prepared, however, to make a further attempt if it should appear later that new steps might lead to positive results.

The UN General Assembly approved, on 20th December 1951, a resolution to set up an impartial commission to carry out simultaneous investigations in the German Federal Republic, Berlin and the Soviet zone of Germany to determine whether conditions existed to permit the holding of free all-German elections [see 10.1.52 li(2)]. The five Powers to be represented on the commission were Brazil, Iceland, the Netherlands, Pakistan and Poland. On 16th January Poland indicated that it would not take part in the commission's work. In February the commission suggested meetings with all the appropriate authorities in Germany to discuss arrangements for carrying out its investigation. At meetings in Bonn on 17th March, and in West Berlin on 21st March, the Allied High Commission, the German Federal Government and the German authorities in West Berlin, assured the UN commission of their full co-operation in providing all facilities necessary for the conduct of its inquiry. However, the Soviet zone authorities did not reply to two letters from the commission requesting a meeting, and being unable to proceed with its work, the commission left Berlin on 24th March. Two further letters from the UN commission to the Soviet zone authorities, repeating the request for a meeting, likewise elicited no reply. [See 3.4.52 li(13) and reference paper R.2369, *The West and Germany*, 8.4.52].

Austrian Peace Treaty

Western Powers Request Soviet Reply

On 9th May the Governments of the United Kingdom, United States and France requested, in similar Notes to the Soviet Government, a reply to their Notes of 13th March in which they proposed a new draft treaty to restore Austria's independence [see 20.3.52 li(8)].

The text of the United Kingdom Note was as follows:

'Her Majesty's Government in the United Kingdom refer to their Note of the 13th March in which they proposed that the four Powers should immediately conclude a settlement which would fulfil the pledge made to the Austrian people in 1943 that their independence would be restored. A draft abbreviated treaty was proposed as a basis for the resumption of the negotiations which have been in progress since 1947 and which, despite several hundred meetings of the representatives of the four Powers, have not succeeded in reaching final agreement. Her Majesty's Government consider that their proposal provides a basis for an immediate and equitable settlement in Austria, which would relieve a source of constant tension in Europe and render justice to the Austrian people.

'Her Majesty's Government therefore request that the views of the Soviet Government on the proposal for an Austrian settlement, as contained in their Note of the 13th March, be made known at the first opportunity.'

The background to the Austrian peace settlement and a summary of the main points at issue between the French, UK and US Governments on the one hand, and the USSR on the other, during the previous negotiations on this question, will be found in Reference Note No. R.2349 of 8.3.52, THE AUSTRIAN TREATY NEGOTIATIONS.

Trieste

UK-US-Italian Agreement on Administration of Zone A

Conversations which began on 3rd April between the UK, US and Italian Governments to arrange for closer co-operation in Zone A of Trieste between the three countries and with the local authorities [see 3.4.52 li(14)], ended on 9th May with agreement on arrangements for associating the Italian Government with the administration of Trieste.

The effect of these arrangements, which are incorporated in a Memorandum of Understanding, published as a UK White Paper (Cmd. 8544), will be, as explained by Mr. Eden, the UK Foreign Secretary, in the House of Commons on 12th May, that a wide range of the civil administrative functions will henceforward be carried out, under the Zone Commander's direction, by an Italian Director of Administration. The remainder, including control of police, port and telecommunications, enactment of legislation, administration of justice, and other functions connected with the exercise of international responsibilities assumed by the UK and US

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Governments in the Zone,¹ will continue to be administered direct through UK and US officials. The Zone Commander remains responsible for policy direction and for co-ordination of the administration as a whole.

In a communiqué issued at the end of the conversations, it was explained that these arrangements, which were designed to give greater practical recognition to the predominantly Italian character of the Zone, were without prejudice to a final solution of the Trieste problem as a whole. The three Governments were confident that 'the spirit of friendly understanding which has been present throughout the conversations will also be present in the operation of the arrangements. This confidence is enhanced by the realization that these conversations, while limited to the question of administration in Zone A, have emphasized that the three Governments, inspired by the purposes and principles of the United Nations, are determined to promote and encourage peaceful co-operation in international problems and the respect everywhere for human rights and fundamental freedoms.'

Provisions of the Agreement

The agreement provides for an Italian Political Adviser, with a similar status to that of the UK and US Political Advisers, to be appointed by the Italian Government to represent it in all matters regarding the Zone which affect Italy.

A Senior Director of Administration will be proposed by the Italian Government and appointed by the Zone Commander. He will be responsible to the Zone Commander and, under the latter's direction, will administer the following functions of Civil Government by means of two directorates:

- (a) a *Directorate of Interior* consisting of the following branches: Local Government (Zone Presidency and Communes), Department of Labour, Department of Social Assistance, Public Health Office, Education Office, Census and Survey Office, Fire Service.
- (b) a *Directorate of Finance and Economics* consisting of the following branches: Department of Commerce, Department of Production, Department of Finance (including Customs and Finance Guards), Department of Transportation, Department of Public Works and Utilities (with the exception of construction and housing for the United Kingdom and United States troops), Office of Agriculture and Fisheries, Loans Section.

Italian personnel to staff these directorates will be proposed by the Italian Government and appointed by the Zone Commander.

The three Governments, noting the intimate connections existing between the economy of the Zone and the Italian economy as a whole, and the essential contribution made by the Italian Government to the

¹These responsibilities devolve on the UK and US Governments from the Peace Treaty with Italy of 1947 (Cmd. 7481), and in particular from Annex VII, which deals with the provisional régime for Trieste. A summary of the provisions of the Peace Treaty with Italy concerning Trieste, are given on pp.3 and 4 of reference note No. R.1999 of 19.7.50, *The Question of Trieste*, in which will also be found historical and geographical notes on Trieste and a survey of the international negotiations undertaken, and decisions made, on the territory since 1914. The main developments since the date of the paper have been a Soviet attempt to link the question of Trieste to the Austrian peace treaty negotiations [see R.2349, I.1i of 8.3.52, *The Austrian Treaty Negotiations*, pp. 3-4], and the Anglo-Italian talks of March 1951, during which a joint communiqué on Trieste was issued [see 21.3.51 2a p.15]. At the end of February 1952, Marshal Tito published a proposal for joint administration by Italy and Yugoslavia of the two zones together, but this was not well received in Italy.

well-being of the Zone, reaffirm that all existing economic and financial agreements¹ between them concerning Zone A, and understandings reached in connection with them, remain in full force and effect. Security controls over international trade will continue to be administered by UK and US officers responsible to the Zone Commander.

Yugoslav Objections to the Agreement

On 11th May, according to press reports, Marshal Tito said that Yugoslavia rejected 'with bitterness' the agreement, which was a 'crude violation of the Italian Peace Treaty'. The Yugoslavia Government, he added, 'reserves the right to undertake measures which will not prejudice the final solution but which are necessary in order to protect the interests of our country; it will at the right moment do everything that is required.' He said that the Yugoslav Government had not been kept fully informed of the progress of the London conference.

On 13th May a Yugoslav memorandum was handed to the UK and US Ambassadors in Belgrade rejecting the tripartite agreement on administration in Trieste as contrary to the spirit and letter of the Italian Peace Treaty and a violation of Yugoslav rights and interests. The appointment of an Italian to the post of Senior Director of Administration, it stated, meant that in practice Allied Military Government would give up its administrative functions to the Italian Government, thus 'establishing legally unfounded union of the territory with Italy'. Though the agreement reserved the formal right of control of the territory to the Zone Commander, his hands would be tied by the general intent of the decisions of the conference and by the guiding principles that the greatest possible recognition be given to the Italian character of the Zone—which was an abandonment of the principle of national equality in the Zone—and that the Zone was to be considered as united to the Italian economy. Yugoslavia had been 'very unpleasantly surprised' by the decision to confirm all economic and financial arrangements made between Italy and Zone A, in the making of which the Allied Military Government had transgressed its powers by unilaterally subjecting Trieste to Italian economic influence with the aim of including it in the Italian economic system.

Mr. Eden on the Need for an Italian-Yugoslav Settlement

In his statement to the House of Commons on 12th May, Mr. Eden said that he regretted that Marshal Tito should have felt it necessary to attack the new arrangements. The UK and US Governments had throughout had in mind the natural Yugoslav interest in the outcome of the talks. While it had not been possible to keep the Yugoslav Government informed of every stage in the complicated negotiations, lasting nearly six weeks and involving a detailed examination of all aspects of the existing structure of the Zone, contact had been maintained both in London and Belgrade. The limited scope of the talks had been repeatedly explained to the

¹The basic agreements governing the financial and economic relations of Zone 'A' with Italy are the following currency and foreign exchange agreements:

- (a) *The financial agreement of 9th March 1948.* This provided that the Italian Government should supply adequate financing for the needs of the local administration in the Zone, meeting the budgetary deficit, and satisfying the foreign exchange needs of the Zone under conditions not less favourable than those applying in Italy.
- (b) *The agreement of 16th April 1948* between the Government of the Zone and the Italian Government, which was concerned with implementation of the agreement of 9th March 1948. It was formally approved by the Zone Commander on 26th June 1948.

Yugoslav Government. On 9th May he had given the Yugoslav Ambassador full information in advance of the agreements reached and had handed him advanced copies of the Memorandum of Understanding and of the communiqué. Similar action had been taken by the UK Ambassador in Belgrade.

‘We have given our assurance’, Mr. Eden said, ‘that nothing has been done to impair our ability and intention to carry out our responsibilities in Zone A. In particular, I cannot accept that there has been any violation of the provisions of the Italian Peace Treaty. On the contrary, Her Majesty’s Government and the United States Government are satisfied that the administrative adjustments which we have agreed upon—adjustments which, in our view, we are fully entitled to make—leave the basic juridical position in the Zone unchanged.

‘I would conclude by expressing the firm conviction that the new arrangements, confined as they are to administration in Zone A, are entirely without prejudice to the final solution of the problem of the future of the Free Territory as a whole. As I have said more than once, Her Majesty’s Government are most anxious that a settlement should be reached as soon as possible by direct conversations between the Italian and Yugoslav Governments.’

Anglo-American Productivity Council

Work to be Continued by New UK Body

It was announced in London on 8th May that the Anglo-American Council on Productivity would be wound up in June, but that its work of helping to promote higher productivity in the United Kingdom would be continued by a British Productivity Council, which would be set up by the Federation of British Industries, the British Employers' Confederation and the Trades Union Congress.

These decisions were made at the Council's fifth full session in London when it was resolved that, as the period of Marshall Aid—originally envisaged as the term of its activities (April 1948—June 1952)—was coming to an end, there was no need for the continued existence of a joint organization. Accordingly, the Council as such, and the US section of the Council, would end their existence on 30th June. The resolution pointed out that the work of publishing the remainder of the team reports and of following up both those and the ones already published was entirely a British responsibility. The UK section of the Council would therefore continue in existence for this purpose until its work could conveniently be merged into that of the proposed British Productivity Council.

In an address to the Council on 8th May, Mr. Peter Thorneycroft, President of the Board of Trade, drew attention to the importance of the Council's work in helping to raise productivity, and said that the establishment of the Council was a milestone in the history not only of British industry but of the relations between British and American industry. He added that the proposed new British Productivity Council could count on the backing of the UK Government.

Formation of the Anglo-American Productivity Council

The Anglo-American Productivity Council was founded in July 1948 after discussions between the late Sir Stafford Cripps, then UK Chancellor of the Exchequer, and Mr. Paul Hoffman, then head of the US Economic Co-operation Administration (ECA). The Council had no set terms of reference, but its main purpose was to further the programme for increasing productivity in the United Kingdom by arranging for the exchange of ideas between various British industries and the corresponding US industries. The programme developed into a mutual exchange of information of benefit to both countries.

The Council consisted of representatives of management and labour in each of the two countries, the British section being nominated by the Federation of British Industries, the British Employers' Confederation and the Trades Union Congress.

The Productivity Teams

A major part of the Council's work was to promote UK studies of American industry by sending to the United States (1) teams representative of management, technical and workshop levels of a particular British industry, e.g. steel founding, to study the corresponding American industry; and (2) specialist teams to study certain aspects of American organization and methods common to industries generally, e.g. management accounting, materials handling and packaging. On their return to Britain the teams disseminated their findings through various media. Thus, meetings were arranged of trade associations, employers' federations, trade unions and

professional bodies. The publicity campaign also included meetings in factories, exhibitions, films, the national, trade and technical press and broadcasting.

So far sixty-six UK productivity teams have visited the United States. Forty-nine were drawn from various industries, which included nearly all the major industries in the United Kingdom, and seventeen were specialist teams dealing with topics significant to increasing productivity in all industries. A list of teams is given in the table below. Over 500,000 copies of reports written by the teams have been printed and distributed. The influence of these has not been confined to Britain; other Western European countries, notably France and the German Federal Republic, have shown great interest in the findings and have published translations.

In addition, three US teams have completed visits to the United Kingdom. The subjects studied were the cotton, pressed metals and electricity supply industries.

ANGLO-AMERICAN COUNCIL ON PRODUCTIVITY (UK SECTION)

TEAMS WHICH HAVE ALREADY VISITED THE USA

1949	
Expert Group on Simplification	Cotton Spinners
Steel Founders	Cotton Weavers
Rayon Weavers	Internal Combustion Engines
Drop Forgers	Clothing (Men's Heavy Outerwear)
Pressed Metals	Electricity Distribution
Building Trades	Electricity Generation and Transmission
Specialist Team on Mechanical Aids	Fertilizer Industry
Cotton Doublers	Electrical Starting and Control Gear
	Specialist Team on Packaging
1950	
Diesel Locomotive Engineers	Non-Ferrous Metals
Paper Box Industry (Rigid Boxes and Cartons)	Agricultural Team
Grey Ironfounders (General and Jobbing Section)	Hop Growing, Picking and Drying
Letterpress Printing	Specialist Team on Metal Finishing
Meat Processing and Packing	Brush Manufacturers
Specialist Team on Management	Specialist Team on Hot Dip Galvanizing
Accounting in Industry	Specialist Team on Welding
Brass Foundry	Boot and Shoe Manufacturers
Hosiery and Knitwear	Pharmaceuticals
Specialist Team on Long-distance Freight Handling	Steel, Iron and Non-Ferrous Valves
	Training for Industry Team 1
1951	
Litho Printing	Fruit and Vegetable Utilization
Coal Mining	Machine Tools (Woodworking)
Training for Industry Team 2	Specialist Team on Short-term Storage of Fruit and Vegetables
Dry Packet Foods (Groceries)	Provincial Newspapers
Universities and Industry	Constructional Steelwork
Furniture Manufacturers	Specialist Team on Inspection Methods
Education for Management	Machine Tools (Metalworking)
Zinc and Aluminium Die Casting	Specialist Team on Production Control
Iron and Steel	Specialist Team on Plant Maintenance
Specialist Group on Conservation of Scarce Materials	
Food Canning	
Cakes and Biscuits	
1952	
Defence Productivity Team (Ammunition)	Specialist Team on Conservation of Fuel, Heat and Energy

TEAMS IN THE USA

Plastics Moulding	Retail Distribution
Specialist Team on Design for Production	Heavy Chemicals
	Gas Industry
	Milk Utilization

Finance

The Council has been financed in part by the ECA and its successor, the Mutual Security Agency. The sterling expenses have been met by grants from the UK Government, employers' associations and the Trades Union Congress. The total cost of the programme to date has been about £844,500 sterling (\$2,364,500) of which the UK section of the Council and the British industries concerned contributed some £320,400 (\$897,000) and the US section some £524,000 (\$1,467,500).

[For a summary of the principal findings of the productivity teams and of the growth of productivity in the United Kingdom, see *Home Affairs Survey* 27.5.52 2f. An account of the impact of the teams' reports on steelfounding and drop forging will be found in *Home Affairs Survey* 29.4.52 2f(28)].

UK-US Economic Co-operation

Report on ERP Operations in Fourth Quarter of 1951

The thirteenth and final report on operations under the UK-US Economic Co-operation Agreement of 1948 was published on 8th May as a UK White Paper (Cmd. 8534). It covers the fourth quarter of 1951 and completes the series of quarterly reports. In these reports, which started in the second quarter of 1948, the use of Marshall Aid funds in the United Kingdom and dependent territories is shown against the background of concurrent developments in the UK economy, and the development of co-operation with other OEEC member countries in dealing with common economic problems is described.

On 31st December 1951 the US Mutual Security Agency took over the functions of the US Economic Co-operation Administration which had been responsible for the administration of Marshall Aid [see 10.1.52 1f(3)]. By that date, practically all the Marshall Aid funds allocated to the United Kingdom had been received, a total of \$2,693.3 million. Further dollar aid will come from appropriations under the Mutual Security Act of 1951.

Deterioration in the Balance of Payments

The report stresses that the most important development of the UK economy during the quarter was the further deterioration in the balance of payments, which was 'manifested above all in the grave loss of reserves during the quarter, a loss which was without precedent in its severity.' Preliminary estimates for the whole of the second half of 1951 showed that the greatly increased dollar deficit during that period was accompanied by a sharp deterioration in the position both of the sterling area as a whole with the rest of the world, and of the United Kingdom itself [see 17.4.52 2e(14)].

To halt this trend the United Kingdom took a series of important measures both individually, and in co-operation with other countries of the Commonwealth. These measures included restrictions of imports, raising of interest rates, and steps to divert home production to export [see 20.3.52 2e(12)].

Need to Reduce Imports from OEEC Countries

The deterioration of the balance of payments of the sterling area with member countries of the European Payments Union was one of the main causes for the loss of reserves, and made it necessary to reimpose import quotas on a wide range of goods from OEEC and other non-sterling countries. The Chancellor of the Exchequer made it clear that the Government was very loth to take this step but that it was necessitated by the heavy deficit with EPU, which, if allowed to continue unchecked, would weaken the Union itself. The United Kingdom's action was subsequently held to be justified by OEEC. As a result of the reimposition of these quotas in November 1951, the proportion of British imports on private account admitted free of quota from OEEC countries fell from 91 to 61 per cent. Additional import restrictions announced on 11th March 1952, have further reduced the percentage to 46 per cent. For recent figures of UK trade with Western Europe see 1.5.52 2b(24).

Technical Assistance Schemes

During the quarter the Anglo-American Council on Productivity sent to the United States four productivity teams and published reports on ten topics [see p.21].

In addition, the United Kingdom participated in technical assistance teams organized by OEEC which went to the United States and studied printing machinery; oil equipment; drilling and refining; galvanizing techniques; non-ferrous heavy metal fabricating; non-ferrous smelting and refining.

Allotment of Funds to United Kingdom

The funds allotted to the United Kingdom by ECA since the inception of the European Recovery Programme were as follows:

				\$ million		
Period				Allotment		
				Grant	Loan	Total
3rd April 1948—30th June 1949	..	..		1,297.0	322.7	1,619.7
1st July 1949—30th June 1950	..	..		885.4	14.2	899.6
1st July 1950—30th June 1951	..	..		175.0	Nil	175.0
				2,357.4	336.9	2,694.3

By comparison, over the whole period from 3rd April 1948 to 31st December 1951 the total value of imports into the United Kingdom (c.i.f.) from all sources was \$33,116.3 million. Of this total \$6,739.9 million came from the United States, American Account Countries and Canada.

Engineering Training Mission to Latin America

Oversea Scholarship Scheme

A British mission, led by Sir Arthur Fleming, left on 29th April to visit Mexico, Cuba, Venezuela, Colombia, Peru, Chile, Argentina, Uruguay and Brazil, for the purpose of inaugurating in Latin America the overseas scholarship scheme established in 1948 by the Federation of British Industries [see 15.6.51 3(f) p.37]. Sir Arthur Fleming is chairman of the FBI scholarships committee and director of research and education to Associated Electrical Industries Ltd. The scheme is one for providing scholarships in the United Kingdom for engineering graduates from all countries. It covers all branches of civil, electrical and mechanical engineering and metallurgy. It is financed by British engineering firms and the United Kingdom Board of Trade.

The object of the mission is to make the scheme and the training facilities of the United Kingdom more widely known in Latin America, and to make the preliminary arrangements for selecting candidates for scholarships. These arrangements normally include discussions on a selection committee in the country concerned. When candidates have been chosen by the national committee, the Federation of British Industries arranges the suitable training facilities in the United Kingdom.

There are at present seven scholars undergoing training under the scheme: four from Pakistan, one from the Sudan, one from Persia, and one from Chile. Negotiations are proceeding for placing seven trainees from India whose nominations have been accepted. Eleven scholarships have been awarded to Australia, and selection of candidates is going on.

The British Middle East Office

Development Division Transferred to Beirut

The British Middle East Office (BMEO) was established in December 1945, with headquarters in Cairo, Egypt, to carry out the United Kingdom Government's policy of co-operating with and assisting Middle East Governments on measures for economic and social development in these countries. The Development Division of BMEO was created in May 1946 and, through its staff of highly qualified specialists, has provided a wide range of technical assistance to the Governments in this region. It was announced in April last that the Development Division was being transferred to Beirut, Lebanon. From this new post, the services of its members will continue to be available, on request, to all Middle East Governments, in advising on economic and technical problems and helping to find the experts needed for development projects. The Development Division's work has been described in Reference Division Note No. R.2240, *The British Middle East Office*, 19.10.51.

World Steel Production & Consumption

Steel is a basic material on which most forms of production and transport in the modern world depend. World rearmament has intensified the present demand for it, and steel shortages have become apparent in a number of industrial countries. Plans exist to increase productive capacity to meet current requirements, but the view of the United Nations Economic Commission for Europe (ECE) is that the long-term problem may well be one of trying to expand steel consumption. The notes which follow are based on the following publications:

Steel Production and Consumption Trends in Europe and the World. (United Nations Economic Commission in Europe). Geneva, April 1952.

World Iron Ore Resources and their Utilization. (United Nations Department of Economic Affairs). New York, 1950.

United Nations Statistical Yearbook 1951.

British Iron and Steel Federation Monthly Statistical Bulletins.

PRODUCTION

World steel production in 1951 is estimated by the British Iron and Steel Federation at 206 million long tons¹, 20 million tons or 11 per cent more than in 1950. The largest absolute expansion in any industrial country was 7 million tons in the United States, but the percentage increase there (8 per cent) was less than in certain other major producing countries, notably in the Soviet Union, the German Federal Republic, France, Japan and Belgium. These countries contributed 9 million tons to the total increase.

The United Kingdom remained the third largest producer although its output declined by 0.65 million tons, owing mainly to a severe falling off in supplies of imported scrap. Use was made of the stocks accumulated in previous years to offset part of this fall, but the decline was aggravated by the home scrap flowing in increased quantities to the iron foundries and in reduced quantities to the steel works.

Table 1 compares world production in 1937, 1950 and 1951. The total for 1951 is provisional, because for some countries final figures are not available and estimates are given.

Strength of NATO Countries

Table I also brings out forcibly the strength of the NATO countries² in steel production. They produced in 1951, 134 million tons, or 65 per cent of total world production. This compares with 40 million tons, or 19 per cent, produced by the Soviet Union and its East European satellites. The OEEC countries³ alone produced 56 million tons, or 27 per cent.

¹One English, or long ton = 1.01605 metric tons.

²Belgium, Denmark, France, Greece, Iceland, Italy, Luxembourg, Netherlands, Norway, Portugal, Turkey, United Kingdom, United States, Canada.

³Membership of OEEC, apart from the United States and Canada, which are in a special working relationship with the organization is as follows: Austria, Belgium, Denmark, France and the Saar, German Federal Republic, Greece, Iceland, Irish Republic, Italy, Luxembourg, Netherlands, Norway, Portugal, Sweden, Switzerland, Trieste, Turkey, United Kingdom.

TABLE I
WORLD STEEL PRODUCTION(a)

million long tons

	1937	1950	1951
United States	50.57	86.46	93.87
Soviet Union	17.54	27.16	30.80
United Kingdom	12.98	16.29	15.64(b)
German Federal Republic	15.37	11.93	13.29(b)
France	7.79	8.51	9.68
E. Europe(c)	6.45	8.02	9.09
Japan	5.71	4.76	6.39
Belgium	3.80	3.72	4.92
Canada	1.40	3.02	3.19
Luxembourg	2.47	2.41	3.03(b)
Italy.. .. .	2.05	2.32	3.00(b)
Saar	2.30	1.87	2.56(b)
India	0.90	1.44	1.50
Sweden	1.09	1.42	1.48(b)
Australia(d)	1.10	1.25	1.44
Finland, Yugoslavia, Spain	0.39	1.32	1.36
Austria	0.64	0.93	1.01
S. Africa	0.33	0.74	0.93(b)
Brazil	0.08	0.78	0.80
Netherlands	0.06	0.48	0.54
Mexico	0.02	0.22	0.30
Turkey	—	0.09	0.13
Norway	0.06	0.07	0.08
Other countries	0.55	0.42	0.62
TOTAL	133.65	185.63	205.65

(a) Steel ingots and steel for castings.

(b) Final figure.

(c) Czechoslovakia, East Germany, Hungary, Poland, Roumania, Bulgaria.

(d) Years ended 30th June.

Production Plans

President Truman, in his economic report to the UN Congress in January 1952, stated that the United States planned to expand steel-making capacity from over 108 million metric tons to 120 million tons by 1954. According to the United Nations World Economic Report for 1951, the Soviet Union envisages a steel production of 60 million tons by 1960.

Table II incorporates these estimates into those given in the Economic Commission for Europe's recent study, *Steel Production and Consumption Trends in Europe and the World* [Geneva, April 1952].

RAW MATERIALS

The chief raw materials needed for steel production are iron ore, coke and scrap; alloying metals and other materials are needed in the production of the various types of steel.

TABLE II
WORLD STEEL PRODUCTION TARGETS
million metric tons

Country	By 1953 (except where otherwise stated)
United States	120.0(a)
Soviet Union	60.0(b)
United Kingdom	18.0
German Federal Republic ..	14.5(c)
France }	14.8
Saar }	
Eastern Europe	12.5
Japan	6.0
Belgium	5.5
Canada	4.5(c)
Luxembourg	3.2
Italy	3.1
India	2.25(d)
Sweden	2.05
Australia	2.0
Finland, Yugoslavia, Spain ..	1.79
Austria	1.3
Africa	1.2(c)
Brazil	7.0
China	0.77(e)
Netherlands	0.77
Mexico	0.6
Norway	0.15

(a) By 1954.

(b) By 1960.

(c) By 1952.

(d) By 1955-6.

(e) Exact date not available.

Iron Ore and Coal

World production and probable reserves of iron ore and coal (including rough proportions of coking coal) in various countries are shown in Table III.

Relative Dependence on Imports

Some of the steel-producing countries, such as Australia, have sufficient supplies of iron ore for their own requirements, but not enough for an export trade of importance.

Canada has extensive iron ore deposits, and both imports from, and exports to, the United States. In certain regions lower transport costs make such exchanges economical. South Africa has enough ore and coal for a growing steel industry. India has not only sufficient ore for its own important iron and steel industry, but is capable of exporting large quantities.

Iron ores in Japan, which in 1936 had become the sixth largest steel producer in the world, are of low grade and located in difficult mountainous

TABLE III
WORLD PRODUCTION AND PROBABLE RESERVES
OF IRON ORE AND COAL

million metric tons

Country	IRON ORE		COAL		
	Production (iron content) 1950	Probable reserves	Production 1950	Probable reserves	Proportion of coking coal
AFRICA		3,609		74,765	
Algeria	1.408	44	0.251	100	..
Southern Rhodesia	0.032	1,142	2.128	7,224	low
Union of S. Africa ..	0.707	1,275	26.473	67,325	moderate
NORTH AMERICA ..		2,640		2,093,053	
Canada	1.805	930	15.364	65,053	low
United States ..	49.306	1,710	501.407	2,028,000	high
LATIN AMERICA ..		5,763		37,166	
Argentina .. ..	..	..	0.026	50	..
Brazil	1.284 (1949)	4,095	1.959	5,000	low
Chile.. ..	1.771	43	2.181	110	moderate
Cuba	0.001	1,200	—	—	—
Mexico	0.286	189	0.912	3,000	high
Venezuela .. ..	..	216	0.001	5	..
ASIA		6,988		332,308	
China	n.a.	810	n.a.	244,000	moderate
India.. ..	1.921	5,608	32.825	62,143(a)	low
Indonesia	n.a.	49	0.799	400	low
Japan	0.441	..	38.461	16,218	moderate-low
EUROPE.. ..		5,562		533,140	
France	9.750	2,546	65.934(b)	11,772	high
Germany	2.939	256	110.756	260,000	high
Poland	n.a.	21	78.001	60,000	moderate
Spain	1.002	360	11.044	8,000	moderate
Sweden	8.384	1,408	0.309	100	..
United Kingdom ..	3.811	672	219.776	175,776	high
Yugoslavia	0.247	26	1.154	39	..
OCEANIA		130		15,298	—
Australia	1.586	126	16.795	15,241	high
SOVIET UNION.. ..	40,000(c)	2,027	n.a.	1,443,000	high

[Sources: United Nations: (1) *Statistical Yearbook 1951*.(2) *World Iron Ore Resources and their Utilization*].

(a) Including Pakistan.

(b) Including Saar.

(c) *British Iron & Steel**Federation Statistical Bulletin*, Sept. 1951.

n.a.=Not available.

country. Before the second world war, Japan imported 80 per cent of the raw materials for its steel industry and is now obtaining supplies in the Philippines (which delivered more than half a million tons in 1950), Malaya (800,000 tons in 1950), and India.

Iron ore production in the Soviet Union was estimated at 40 million metric tons in 1950 (see Table III). The Soviet Union appears to be partly dependent on imports, although its reserves of ore are immense. China has high-grade deposits, which supply its own blast furnaces. Large deposits are found in North Korea and Manchuria.

United States imports of iron ore have increased from 185,000 long tons (ingot equivalents) in 1937 to 1,307,000 long tons in 1950. The chief sources have been Chile, Cuba, Mexico, Sweden, Spain, Africa and Canada (Newfoundland). These imports are not due to any shortage of domestic ores, but to the fact that foreign ores could be brought cheaply to seaboard plants. More recently a large increase in consumption has forced the United States to turn its attention to foreign deposits to ensure plentiful supplies of high-grade ore.

In Europe, Britain has for many years been a large-scale importer of iron ore. Spain was an important supplier but has been partly replaced by Sweden and French North Africa. Other important suppliers are Canada, Sierra Leone and France. France relies on its own ores; Belgium and Luxembourg take French ores and rich Swedish ore. German ores are low grade, and Germany still imports about half its requirements.

Table IV shows the relative dependence of European steel producers on raw materials imports.

TABLE IV
RAW MATERIALS
(Percentages of Imports to Total Consumption)

Country	Iron ore (iron content)			Scrap			Solid fuels(a)			Coke and coking coal(b) 1950
	pre-war	1948	1950	pre-war	1948	1950	pre-war	1948	1950	
United Kingdom	50	45	55	10	10	15	—	—	—	—
Germany ..	75	45	50	5	—	—	—	—	—	—
France	—	—	—	—	—	—	35	30	20	55
Belgium ..	100	100	100	—	20(c)	15(c)	5	5	—	5
Czechoslovakia	50	65	70	30	30	..	—	—	—	—
Poland	65	90	75	75	35	..	—	—	—	—
Luxembourg ..	30	50	50	—	20(c)	15(c)	100	100	100	100
Italy	30	10	25	35	35	25	90	90	90	100
Saar	100	100	100	25	—	—	—	—	—	20
Sweden ..	—	—	—	10	20	15	100	100	100	100
Hungary ..	70	70	65	20	20	..	95	95	..	..
Austria ..	—	—	15	10	30	10	100	100	100	100

[Source: *Steel Production and Consumption Trends in Europe and the World*, ECE 1952].

(a) Includes coke, coking coals and other non-metallurgical coals.

(b) Includes only coal actually used for coking within a country and imports of coke, taken at their coal equivalent (conversion factor: 1.3).

(c) Combined figures for Belgium-Luxembourg.

A large number of alloying metals and materials are necessary to the production of particular types of steel; with the exception of manganese ore, most of these are expected to be in short supply.

[For an account of prospects for world supplies in the near future for some of these (e.g., manganese, molybdenum, nickel and tungsten), given by the International Materials Conference, see 1.5.52 2d(18)].

CONSUMPTION

The apparent consumption (i.e., net imports plus production) of steel in Europe and other regions of the world during recent years is shown in Table V, which has been compiled from tables given in the ECE report already mentioned.

TABLE V
APPARENT STEEL CONSUMPTION

thousand metric tons

	1925-29	1930-34	1935-39	1948	1949	1950(a)
Europe (excl. Soviet Union)	n.a.	n.a.	n.a.	44,900	51,000	53,100
Soviet Union	3,802	7,736	16,877	19,100	23,800	27,800
United States	48,225	25,607	40,540	75,590	66,082	85,657
Canada	2,035	1,335	1,557	3,648	3,979	5,059
Africa	1,067	918	1,331	1,965	2,462	2,447
Middle East	264	342	414	711	986	1,210
Far East (including Japan)	7,017	6,161	10,708	5,387	7,494	9,957
Latin America	2,337	1,482	2,140	3,573	3,971	3,696
Underdeveloped Regions (Africa, Middle East, Far East and Latin America).. ..	10,685	8,903	14,593	11,636	14,913	17,310

n.a. = Not available.

(a) Actual consumption may be higher than figures shown for 1950 on account of a general running down of stocks in that year.

Most countries can only consume these quantities by being net importers of steel. The only exceptions appear to be the United States, which was a net exporter to the extent of 2,066 million metric tons in 1950, and Japan.

Consumption Prospects

The following is a summary of what the ECE report has to say about future steel consumption prospects:

In Europe, defence expenditure may in some cases interfere with planned investment in other fields and consequently may adversely affect future steel consumption. On the other hand, the increase in industrial capacity brought about by rearmament may have the effect of creating a larger potential demand for steel in more normal times.

As regards other regions of the world, the Soviet Union's consumption has increased rapidly in recent years and will probably absorb its planned increase in production.

In the United States, once the volume of defence orders declines, steel capacity may make available substantial exportable surpluses.

In Canada, consumption in recent years has risen more rapidly than production, and imports have increased. Despite the planned increase in capacity, imports may still be required.

In Africa, production is increasing and consumption has tended to remain stationary in 1950, so that imports may be expected to decline.

Consumption continued to increase steeply in the Middle East during 1950, made possible, in the almost complete absence of production, by imports. If conditions favour foreign investment, and the quantity of loans or aid for industrial developments, there will be a further increase in consumption and import requirements in future.

In the Far East, apparent consumption is steadily increasing, although it has not attained the pre-war level.

TRADE

The greater part of international trade in steel is accounted for by European and United States exports. European exports accounted for 29 per cent of European production in 1951, and the comparable percentage for United States was 3. Of European production, 17 per cent was exported to non-European countries. Table VI shows Europe's share in world steel exports:

TABLE VI
EUROPE'S SHARE IN WORLD STEEL EXPORTS
(Percentage of total world exports)

Year	Africa	Middle East	Far East	Latin America	Weighted average
1935	91	99	90	80	88
1936	91	97	88	77	86
1937	87	96	67	71	73
1938	88	95	70	73	76
1939	85	88	64	62	69
1945	30	35	9	3	13
1946	73	82	45	25	45
1947	72	71	46	17	36
1948	79	68	49	39	53
1949	81	63	67	51	64
1950	89	74	84	60	74

Source: *Steel Production and Consumption Trends in Europe and the World*.

Tariffs in the United States

US Reply to UK Representations

The British Embassy in Washington has received the State Department's reply to the memorandum submitted by the Embassy on 9th April on the increase in the number of applications by United States manufacturers to the United States Tariff Commission for relief under the Trade Agreements Extension Act of 1951 [see 17.4.52 2(e)18].

The Act provides that tariff concessions may be modified or withdrawn (or quotas imposed) where these concessions have resulted in increased imports causing or threatening serious injury to the domestic industry.

The State Department's reply states that the British Embassy's *aide memoire* of 9th April on this subject has been given careful consideration, and continues:

'It is true that in recent months there has been an increase in the number of investigations ordered by the Tariff Commission in response to applications from United States industry. Furthermore, it is recognized that several of these investigations relate to products of importance in the export trade of the United Kingdom and other countries which have made serious efforts to increase their dollar earnings by sales to the United States, and which are concerned lest these efforts be frustrated.

'The Department of State has always taken the position that modifications of duty concessions should only be made in cases of genuinely serious injury or threat of injury resulting from trade commitments. The Government of the United States and of the United Kingdom are in complete accord in their insistence that the obligations in Article XIX¹ of the General Agreement on Tariffs and Trade should be scrupulously observed, and that Article XIX should not be invoked merely because a concession results in more vigorous competition from imports.

'Furthermore, it is the opinion of the Department of State that in cases where modifications of duties are made as a result of escape clause investigations such modifications should be kept under constant review to ensure their remaining in force for only such time and to such extent as is necessary to prevent or remedy the injury to domestic industry. Accordingly a system providing for the periodic investigation and report by the Tariff Commission on all escape clause actions is in the process of being established.

'The attitude of the United States Government on the basic principle of lowering barriers to international trade remains unchanged, and any tendency to deviate from the principle, wherever it may arise, is the subject of concern to the Department of State. Co-operative action among all free nations to reduce and minimize trade barriers between us is essential if we are to provide a strong economic basis for our mutual security and progress.'

¹Article XIX of GATT provides that participating countries are free to withdraw tariff concessions included in the schedules of GATT if, as a result of unforeseen developments and of the effect of obligations under GATT, products are imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers [see 17.4.52 2e(20) and the *Provisional Consolidated Text of GATT* (Cmd. 8048)].

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The Inter-Parliamentary Union

Annual Report of the British Group for 1951

The activities of the British Group of the Inter-Parliamentary Union (IPU) during 1951 are described in the annual report, which gives accounts of the annual conference at Istanbul and of the exchange visits between British and foreign parliamentary delegations. The report stresses the valuable effect in international relations of the friendly personal contacts made between parliamentarians from different countries. The Inter-Parliamentary Union, the report states, is able to do a kind of work which governments cannot themselves do. Parliamentarians from different countries can meet and talk freely to each other without official commitments.

At the end of 1951, the membership of the British Group amounted to 583, of whom 126 were Peers, 371 Members of Parliament, and 86 ex-Members of Parliament.

Exchange Visits of Parliamentary Delegations

Delegations from Parliamentary Groups of the IPU in the Netherlands, Yugoslavia, Finland and Indonesia were received in the United Kingdom during the year. Each delegation, which spent a week in London, was entertained to luncheon by the Prime Minister and attended a meeting in the Houses of Parliament.

The British Group also entertained visiting parliamentarians and statesmen from France, Persia, Japan, Burma and the Netherlands. Large meetings of the Group during the year were addressed by M. van Zeeland, Belgian Minister of Foreign Affairs and Foreign Trade; Signor de Gasperi, Italian Prime Minister, and Count Sforza, then Italian Foreign Minister; and Dr. K. Adenauer, the German Federal Chancellor.

A delegation from the British Group, led by Mr. W. Glenvil Hall, visited Israel from 26th March to 2nd April 1951. A party, led by Lord Lawson, paid a return visit to Yugoslavia in May, following the successful visit of the Yugoslav delegation to the British Parliament in March. They were received by Marshal Tito and had useful talks with members of the Yugoslav Group. In September, Mr. Arthur Woodburn led a delegation to visit Western Germany at the invitation of the Federal German Parliament. This was the first IPU delegation to visit Germany. Mr. Arthur Woodburn addressed the Members of the Bundestag in German, and the delegation visited Berlin, Frankfurt, Wiesbaden and Darmstadt.

1951 Annual Conference

A British delegation of 12 members, led by Mr. George (now Lord) Mathers, attended the 40th annual conference of the IPU, held in Istanbul from 31st August to 6th September. Delegates from 31 other member Parliaments of the IPU were present.

The two principal subjects considered by the conference were the distribution of foodstuffs in the world and the problem of refugees. Speakers from the British Group were Mr. H. Hynd, Lord Listowel and Mr. C. Osborne, on the first subject, and Major Tufton Beamish and Mr. R. J. G. Boothby on the second. Resolutions on these two subjects, approved by the conference, were passed on to the appropriate UK Government departments. The conference also discussed the Secretary-General's report.

Meetings of the IPU Council, held during the conference, were attended by the two council members of the British Group, Mr. George Mathers and Col. M. Stoddart-Scott. Lord Stansgate, one of the British Group's vice-presidents, who had continued as president of the IPU Council during 1951, was re-elected for another term at the conference.

A summary of the 1950 annual report of the British Group was given in 'International Survey', 18.5.51, 2a p.11. A note on the constitution and work of the IPU appeared in 5.4.50, p.28, and a fuller account of its history and achievements will be found in Reference Division Note R.1742 'The Inter-Parliamentary Union', dated 1.3.49.

General Assembly Sixth Session

Report to Parliament by UK Foreign Secretary

A report on the sixth session of the United Nations General Assembly, presented to the UK Parliament by the Secretary of State for Foreign Affairs, has been issued as a White Paper (Cmd. 8547). The report summarizes the proceedings and decisions of the Assembly's sixth session, which was held in Paris between 5th November 1951 and 4th February 1952, and gives as annexes the texts of important resolutions adopted and of statements by UK representatives. The work of the session is analysed and assessed in the introduction, of which a summary of the major points is given below. A major defect of the Assembly, the report concludes, was the tendency, as in past years, to use it as a forum for bitter and controversial propaganda, and in this the Soviet bloc remained the principal offenders. Despite this, the General Assembly 'can be said to have produced solid and useful decisions on a variety of subjects and to have done as much as could be expected in the present state of world affairs to mitigate the current international tension.'

UK Plea for Moderation

'The atmosphere in which the session opened was not an altogether propitious one.' To the cleavage between Communist and non-Communist worlds, evident in previous sessions, were added other factors of tension—the new nationalist urge in the Middle East and the growing strength of anti-colonial feeling among Asian and Latin-American countries. The agenda was a long and contentious one.

It was against this background that Mr. Eden, UK Secretary of State, in his opening speech, appealed to the Assembly for moderation in approaching all subjects under discussion and called on it to play its part in reducing international tension [see 16.11.51 2c p.13]. The UK delegation reiterated their plea throughout the session, and, 'though the response of the Soviet *bloc* was often disheartening, it was not wholly without effect.'

The more controversial issues did not provoke any violent collisions and 'the later debates, with a few notable exceptions, showed an increased wisdom and impartiality.'

Disarmament

In view of the complete deadlock in previous UN discussion of the disarmament question, there was a general welcome for the proposal to set up a new disarmament commission which could make a fresh approach to the problem. Two sets of proposals were presented to the Assembly [see 16.11.51 2e pp.37-42 and 30.11.51 2e pp.47-51]. The first—that of the United Kingdom, United States and France—were inspired by the belief that progress towards disarmament must go hand-in-hand with the re-establishment of international confidence. The first step should therefore be the disclosure by progressive stages of information about existing armed forces and armaments, and the verification of this information by international inspection. Discussions could begin at once on the criteria to which national armed forces should conform and on the control system necessary to ensure observance of a disarmament treaty, in which, *inter alia*, provision should be made for prohibition of atomic weapons. The Soviet proposals, on the other hand, renewed

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earlier demands for an immediate declaration for the unconditional prohibition of atomic weapons and for a reduction by the major Powers of their forces by one-third during one year. The Western Powers felt that such a declaration on atomic weapons would involve the abandonment of the major military guarantee of their security before any control system existed, and thus before any assurance that other Powers were accepting the same limitations, and that the formula for a one-third reduction of armed forces would only perpetuate the existing disparity of forces.

The UK delegation played a prominent part in discussion of these proposals, and sought to secure a basis for general agreement. The meetings of the four-Power sub-committee—on which were represented France, the UK, the USA and the USSR—which met in private under the chairmanship of Dr. Nervo, President of the General Assembly, clarified the views of the four Powers and effected a noticeable improvement in the atmosphere of the discussions [see 14.12.51 2e p.35]. By submitting amendments to their proposals, after these meetings, the Western Powers showed their sincere effort to meet the Soviet point of view.

Germany

In their proposal for the appointment of a UN Commission to investigate the existence of suitable conditions for free and democratic all-German elections, the UK, US and French Governments sought to advance the German Federal Government's repeated efforts for the reunification of Germany [see 5.10.51 2g p.45, 19.10.51 2g p.52, 16.11.51 2g p.44, 14.12.51 2g p.39 and 10.1.52 1i(2)]. Although the Soviet response was unco-operative, 'there was general recognition of the fact that this proposal was not directed against anyone but was designed as a practical step towards an aim which the East proposed to support as much as the West.' Representatives of both parts of Germany and both sectors of Berlin addressed the Assembly—despite Soviet opposition—'and the submissions laid before the Assembly by these representatives did much to convince delegates of the need for the proposed Commission.'

Other Political Debates

The Assembly discussed a report on ways and means of applying collective action for international peace and security, submitted by the Collective Measures Committee set up under the fifth Assembly resolution on 'Uniting for Peace' [see 20.10.50 2c p.16 and 29.12.50 2c p.13]. 'During debate on this report, it was possible to bring more clearly into focus the function of the "Uniting for Peace" machinery and to dispel fears that it was intended either to derogate from the primary responsibility in these matters of the Security Council or to infringe upon the sovereign right of members to decide when and how far they should contribute to United Nations collective action' [see 10.1.52 1c (1) and 21.2.52 1c (11)].

'On the subject of the admission of new members to the Organization,' the White Paper stated, 'the course of the debate and the resolutions passed showed an increasing general sentiment in favour of the largest possible membership, together with a clearer understanding of the limitations imposed by the terms of the Charter upon the principle of universality and renewed determination that applications for membership should be treated objectively' [see 24.1.52 1c (5), 7.2.52 1c (9) and 21.2.52 1c (12)].

Economic and Social Questions

The need for economic development of underdeveloped countries and for finance to make this possible was the main subject of debate in the

Economic Committee. It was evident that the industrialized States of Western Europe and North America could not, because of other claims on their resources, make any additional provision for financial aid now, but they did not deny that such help was desirable and pointed out that great responsibilities in this direction had already been undertaken, for example so far as the United Kingdom was concerned, through the Colombo Plan [see *Commonwealth Survey* 9.5.52 1c(8)] and colonial development schemes [see R.FP 2174 *The United Kingdom colonial Development and Welfare Acts; a Brief Review to March 1951*]. The Assembly adopted a resolution calling on ECOSOC to prepare a 'detailed plan . . . for establishing a special fund for grants-in-aid and for low-interest long-term loans to underdeveloped countries', the aim being to ensure that such a fund might be established as soon as the international economic situation and defence requirements made it possible.

In the Third Committee the protection of human rights was the main subject of debate. The principal decision taken was that it was not practicable to introduce into the covenant on civil rights a series of guarantees of economic and social rights, since these were different in their nature and could not be expressed in a clear and legally enforceable form in the same covenant. They should therefore be included in a separate covenant. This went some way to meet the views of the United Kingdom delegation, which had argued in various organs of the United Nations—at first almost alone—that the decision taken by the Assembly last year to the contrary effect was ill-advised, and likely to prevent the effective guarantee of civil rights, while not promoting economic and social progress, which all desired.

Non-Self-Governing Territories

In connection with the Assembly discussions on non-self-governing territories the White Paper makes the following observations:

'Certain delegations continue to regard the Colonial Powers with distrust and it was therefore to be expected that the United Kingdom and other administering Powers would continue to face criticism in the Fourth Committee of the Assembly which deals with non-self-governing territories and trust territories. Powers with no responsibility in the field continued to indulge in expressions of lofty sentiment, while failing to recognize the practical needs for the development of trust and non-self-governing territories. The Committee, as in the past, also tended to blur the distinction between these two categories, by seeking to assert over Colonies the kind of supervision which the administering Powers have accepted in respect of territories which they hold under trusteeship. There was a striking example when the Egyptian delegate, after failing to get the subject adopted on the agenda of the Assembly, entered in the Fourth Committee on a criticism of French administration in Morocco, which the French delegate sought to have ruled out of order. In the event a compromise was reached, by which an Iraqi proposal categorically asserting the Committee's right to discuss the political affairs of non-self-governing territories was withdrawn, while the Committee's chairman agreed to permit incidental references to these matters. This tendency showed itself further in the Committee's reluctance to discuss the substance of the questions on its agenda, preferring to concentrate on procedural issues designed to assert rights of interference in the affairs of dependent territories, going beyond the provisions of the Charter. The United Kingdom delegation thus abstained from voting on most of the resolutions passed by the Committee. There were, however, three which it was obliged to oppose—in particular one which invited the administering

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Powers to state the period of time in which their trust territories would attain self-government or independence. In spite of these trends, the general tenor of speeches in this Committee showed an increasing respect for the achievements of the United Kingdom as an administering Power.

'The tendency of the Fourth Committee to exceed its functions showed clearly in its handling of the question of South-West Africa [see *Commonwealth Survey* 1.2.52 1a(4)]. In the United Kingdom view nothing should have been done to prejudice the task of the Negotiating Committee, which, in discussions with the South African Government during the previous year, had made some progress towards reaching a solution based on the opinion of the International Court. However, while giving the Negotiating Committee a further lease of life, the Fourth Committee expressed criticisms of South Africa which can only make the work of the Negotiating Committee more difficult. It furthermore showed an irresponsible disregard of the legal position established by the International Court of Justice in deciding to give oral hearings to the Chiefs of the Herero tribe and in hearing on their behalf the Reverend Michael Scott—proceedings which found no place under the original mandate system. Convinced that the Committee had acted not only illegally in respect of the terms of the opinion of the International Court of Justice but unconstitutionally under the United Nations Charter, the Union delegation appealed to the President of the General Assembly to have the decision of the Fourth Committee to hear the Herero Chiefs and the Reverend Michael Scott reviewed by the Plenary Assembly. When the President expressed his inability to take the action required, the Union Government instructed their delegation to take no further part in the work of the Fourth Committee and to attend only those sessions of the Plenary Assembly and the other Committees in which subjects closely affecting the Union were under discussion.'

Legal Questions

The United Kingdom introduced in the Sixth (Legal) Committee proposals for the improvement of the Committee's work and for a better recognition of the place of the rule of law in international affairs. While these proposals were welcomed in principle, the Committee tended to underrate the importance of a regard for law in questions of political interest and even to vary regard for the Charter as political sentiment dictated. In the discussions on the possibility of drafting a definition of aggression [see 7.2.52 1a(9)], also in the Sixth Committee, many members inclined to the view that not to define aggression was, in some way, to condone it, rather than to examine logically whether any possible definition would make it more or less easy to brand aggression when it occurred.

UN Disarmament Commission

Western Proposals for Balanced Reduction of Forces

New proposals for the limitation of armed forces were placed before the UN Disarmament Commission on 28th May by Sir Gladwyn Jebb, the UK delegate, on behalf of Britain, France and the United States.

The proposals envisage a maximum of between 1,000,000 and 1,500,000 men each for the total strength of the armed forces of the United States, the Soviet Union and China and between 700,000 and 800,000 each for the United Kingdom and France. All other States having substantial armed forces, would have agreed maxima to be fixed in relation to the ceilings agreed for the five Powers. Such ceilings would be fixed 'with a view to avoiding a disequilibrium of power dangerous to international peace and security in any area of the world, thus reducing the danger of war'. The ceilings would normally be less than 1 per cent of the population and less than current levels except in very special circumstances.

The proposals provide that the plan should not become effective until the Powers concerned as well as the United Nations have agreed to it, and that there should be strict safeguards to ensure that the limits laid down are not exceeded.

The Commission adopted by 11 votes to 1 a resolution that the filing of the proposals should be recorded in the report which the Commission was due to present to the UN General Assembly on 1st June. M. Malik, the Soviet representative, voted against the resolution but said, however, that his Government would carefully study the paper.

SIR GLADWYN JEBB'S STATEMENT

Sir Gladwyn Jebb, introducing the Western proposals, said that almost insuperable difficulties would arise if an attempt were made to tackle the problem of armaments without relation to the size of armed forces. If agreement could be reached about the levels of armed forces, international confidence would be so restored that the problem of effective prohibition of atomic weapons would present a much less formidable obstacle than in the past.

The limits proposed for the major Powers were not based on exact calculations of such factors as populations, size of territory and length of frontiers, but were designed to reflect the responsibilities those countries bore, to provide for their essential needs, including the maintenance of internal security, and to give them confidence that they would not be subject to threats of attack by one or more of the others.

The Western proposals, Sir Gladwyn Jebb said, were much more drastic than the Soviet plan for an arbitrary one-third cut in the forces of the five great Powers, and consequently much superior. In providing fixed maxima for each Power the Western proposals also provided that the levels of arms should be in balance, so that none of the five would have cause to fear attack from any of the others. By providing, in contrast to the Soviet proposal, for limitation of the armed forces of all countries of substantial military strength, the three-Power plan also offered at least a basis for a general disarmament convention.

Analysis of the Proposals

Analysing these proposals, Sir Gladwyn said that, if the figures of armed forces given to the Commission earlier by the Soviet Union were

taken as a basis and the Soviet forces were really as low as M. Malik had said, reductions would work out as follows:

	Present Strength ¹	Planned reduction	Percentage Cut
United States ..	3,500,000	1,500,000 } 1,000,000 }	54 } % 71 }
Soviet Union ..	2,500,000	1,500,000 } 1,000,000 }	40 } % 60 }

For Britain and France the reduction would be less drastic but, taking M. Malik's figure of slightly over 1,000,000² for the British forces, the reduction would still be about one-third. If the armed forces of the Western Powers were added together their combined forces would be approximately 3,000,000 men, the same as the combined total of the Soviet Union and China.

US Statement

Supporting Sir Galdwyn, Mr. Benjamin Cohen (United States) said that the proposals were flexible and were not intended to be final or exhaustive. It was hoped that as a result of exchanges of views they would be improved. One error which the three Powers wished to avoid was that of assuming that the *status quo* should be permanent. Further limitations would be contemplated as substantial progress was made towards easing international tensions. There would be periodic reviews of the suggested ceilings.

Background to the Disarmament Question

The origins of the attempts made since the end of the second world war to reach international agreement on disarmament go back to the Atlantic Charter of August 1941, which looked forward to 'measures which will lighten for peace loving peoples the crushing burdens of armaments.' Later, in the Moscow Declaration of October 1943, the Governments of the United States and the United Kingdom, joined now by those of the Soviet Union and China, announced their intention of 'co-operating... to bring about a practicable general agreement with respect to the regulation of armaments'.

These aspirations were written into the Charter of the United Nations, which in Article 26 made provision for the formation by the UN Security Council of plans to be submitted to UN members 'for the establishment of a system for the regulation of armaments'. At its first session in January 1946 the General Assembly unanimously adopted a resolution (drafted by the United States, the United Kingdom and the Soviet Union in concert) establishing the Atomic Energy Commission to deal with the problems raised by the discovery of atomic energy and other related matters. At the second part of the same session the Assembly also adopted, again by a unanimous vote, a resolution recognizing 'the necessity of an early general regulation and reduction of armaments and armed forces,' on the basis of which the Security Council in February 1947 established as a parallel body the Commission for Conventional Armaments.

¹These are Soviet figures. Mr. Robert Lovett, US Secretary of Defence, on 4th February 1952 gave figures of US armed forces which totalled 3,260,000. Mr. Shinwell, then UK Minister of Defence, said on 27th July 1952 that Soviet armed forces amounted to 4,600,000, and that there were in addition 1,070,000 men in Eastern Germany and the satellite States.

²The UK Ministry of Defence figures of the active armed forces of the United Kingdom for the first quarter of 1952 was 862,700 [see *Home Affairs Survey* 27.5.52 1b(91)].

Years of discussion in these bodies, in the Security Council and in the General Assembly, failed to reconcile the opposing points of view of the Soviet Union and its satellites on the one hand and the rest of the world on the other.

The Atomic Energy Commission

The international control of atomic energy is in itself a highly intricate political problem and is complicated by abstruse scientific and technical factors. It is not possible in a short space to follow the complexities of five years' work and discussion but, very broadly, the developments in the Atomic Energy Commission may be summarized as follows.

At the outset the Western Powers put forward concrete proposals, designed to secure a really effective international control of atomic energy with the minimum possible interference with national sovereignty. Owing to the nature of nuclear materials, they cannot be directly measured. Inspection by itself is therefore unable to determine the quantity of material present in a given installation, and only control of the operation of the plant over a period can guarantee that significant quantities of nuclear material are not being diverted to dangerous uses. Moreover, the quantities of fissionable material involved in atomic explosions are very small. For such reasons the Western plan envisaged management and control of all 'dangerous' processes by the international agency.

The Soviet Union on the other hand proposed an immediate convention for the prohibition of atomic weapons (which at that time were only possessed by the United States) and the destruction of existing (i.e., United States) stocks, and thereafter the setting up of control machinery.

It was clear that the Soviet idea of control rested almost entirely on periodic inspection and envisaged control and inspection as coming within the framework of the Security Council, where the veto operated.

From time to time since then the Soviet Union has announced and publicized 'concessions' which at first sight have often been widely interpreted as a sign that the USSR genuinely wished for a solution to the problem, and have given rise to exaggerated hopes. On closer examination, however, these have always been found to stop well short of the minimum necessary for effective international control. Thus, for example, by January 1952 Russia had reached the point of expressing willingness to accept that prohibition of atomic weapons and 'strict international control' within the framework of the Security Council should come into effect simultaneously, and that the control organ should be able to conduct inspection on a continuing basis, though not to 'interfere in the domestic affairs of States'. All attempts, however, to obtain from the Soviet representative further information, for instance, as to how the Soviet Union envisaged that the control organ would be able to act on apparently self-contradictory terms of reference, have been unavailing. Moreover, international confidence in the Soviet proposals has not been enhanced by concurrent Soviet behaviour in international affairs nor by the flood of abuse against the West with which these proposals have usually been accompanied.

In 1948 the Atomic Energy Commission, in its third report, declared that an impasse had been reached and recommended the suspension of its work. The Assembly approved its report and in particular endorsed the plan for the control of atomic energy to secure the abolition of atomic weapons, put forward in the Atomic Energy Commission by the Western Powers. At the same time, in the hopes of breaking the deadlock, the Assembly invited the six major Powers concerned to hold consultations among

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themselves to find some way forward. These consultations dragged on into 1950, but the gulf which had almost from the outset divided the views of the Soviet Union from those of the other five Powers principally concerned, and indeed from those of the great majority of the members of the United Nations, remained unbridged.

Conventional Armaments

In the same way discussions on conventional armaments proved fruitless. From the start the majority view was that international confidence was a prerequisite of disarmament and that disarmament must be preceded by disclosure of the existing military strength of all countries and establishment of an effective system of verification and disclosure. The Soviet Union proposed an all-round reduction of existing armed forces by one-third, without being willing, however, to disclose the size of its own armed forces or armaments, and, since such information as was available strongly indicated that these were considerably greater than those of the Western Powers, spokesmen of the latter have pointed out that the result would have been merely to perpetuate an existing Soviet superiority. An international control organ was provided for, but all attempts to induce Soviet delegates to explain how the security organ would function were in vain.

For these reasons no agreement even on basic principles and on the Commission's plan of work could be reached. On several occasions the Soviet Union used its veto in the Security Council, to prevent approval even for the Commission's progress report. In 1948 at the Assembly's request, the Commission addressed itself to preparing a scheme for collecting information about armaments and armed forces as a first step. Although vetoed in the Security Council, the plan which the Commission prepared received the Assembly's approval in 1949. In the absence of Russian co-operation, however, these efforts could have little practical use.

Western Attempt to Break Deadlock

In an attempt to break the deadlock, the French, UK and US Governments announced on 7th October 1951 that they would make to the sixth UN General Assembly proposals for the regulation, limitation and balanced reduction of all armed forces and armaments including atomic weapons [see 16.11.51 2e p.37]. On 19th November a draft resolution was tabled in the General Assembly [see 30.11.51 2e p.47] proposing that the Atomic Energy and Conventional Armaments Commissions should be dissolved and a Disarmament Commission set up with the same membership as the Atomic Energy Commission and the Conventional Armaments Commission (Security Council members and Canada). This should make proposals to be embodied in a draft treaty and be guided in its work by the following principles: that there must be progressive disclosure and verification on a continuing basis of all armed forces, including para-military, security and police forces, and all armaments, including atomic; that verification must be based on effective international inspection; that the United Nations plan should continue to serve as the basis for the control of atomic energy unless a better or no less effective system could be devised; that there must be an adequate system of safeguards to ensure observance and detect violations, while causing the minimum degree of interference in the internal life of each country.

Clarification of the Issues

This proposal was attacked by M. Vyshinsky who, nevertheless, agreed to participate in a four-Power sub-committee which would attempt to

reconcile the conflicting views. The sub-committee reported to the Political Committee of the Assembly on 11th December that it had agreed on the establishment of a new UN Commission but not on any practical measure of disarmament which might be undertaken. The discussions had, however, helped to clarify the issues, which were clearly stated by Mr. Selwyn Lloyd (UK) in a statement to the Political Committee on the same day. First the Soviet Union rejected a conception of a stage-by-stage disclosure and reduction of arms but wanted an immediate, unconditional ban on atomic weapons, to be followed, for practical reasons at a considerable interval, by establishment of a control organization, and as Mr. Selwyn Lloyd pointed out, world security during the intervening period would depend solely on the promises of individual Governments. Secondly, the Soviet Union wished to separate atomic from conventional armaments, which amounted to a demand that the Western Powers should forthwith surrender their chief weapon of defence leaving the Soviet Union in unrestricted possession of those instruments of possible aggression against the use of which that weapon now served as a deterrent. The third major point of difference was that Russia would disclose no information about the size of its forces until the principle of reduction by one-third had been accepted.

Western Proposals for Disarmament Commission

On 19th December 1951, the Political Committee adopted the Western Powers' resolution, which had been modified in some respects to meet Soviet points [see 10.1.52 Id(1)]. The resolution directed the Disarmament Commission to prepare proposals to be embodied in a draft treaty, being guided by the principles indicated above; to formulate plans for the establishment within the framework of the Security Council of an international control organ to ensure the implementation of the treaty, the functions and powers of the control organ to be defined in the treaty establishing it; to consider from the outset plans for progressive and continuing disclosure and verification, the implementation of which was recognized as a first and indispensable step; to determine the method of calculating and fixing over-all limits and restrictions on all armed forces and armaments; to consider methods by which States could agree concerning the determination of over-all limits and restrictions and the allocation within their respective national military establishments of the permitted national armed forces and armaments; to submit its first report not later than 1st June 1952; and to declare that a conference of all States should be convened to consider the Commission's proposals as soon as it regarded any part of its programme as ready for submission to Governments. This resolution was adopted by the General Assembly in plenary session on 11th January 1952.

Soviet Proposals Referred to Commission

On 13th January, in the context of a debate in the Political Committee of the UN General Assembly on a Soviet item, 'measures to control the threat of a new war', M. Vyshinsky reopened the subject of disarmament by introducing a draft 8-point resolution. This, besides incorporating familiar Soviet desiderata such as a declaration condemning NATO membership as incompatible with UN membership, and a demand for the withdrawal of all forces in Korea from the 38th parallel, proposed also the following action: prohibition of atomic weapons and 'strict international control' within the framework of the Security Council to come into effect simultaneously—the control organ to be able to conduct

inspection 'on a continuing basis' but not to be entitled 'to interfere in the domestic affairs of States'; reduction by one-third of the armed forces of the five great Powers; provision by all States of complete data on their armed forces and bases in foreign territories; the preparation by the Disarmament Commission before 1st June 1952 of a convention providing measures to put into effect the prohibition of atomic weapons and create a control system; the holding of a world disarmament conference before 15th July 1952; and the conclusion of a 'big five' peace pact to which other nations would be invited to adhere. On 19th January a joint UK-US-French resolution that the part of the Soviet resolution dealing with disarmament and atomic weapons should be submitted to the Disarmament Commission was adopted by the General Assembly by 40 votes to 5 (the Soviet bloc) with 3 abstentions [see 24.1.52 ld(4)].

Proceedings of the Commission

The Disarmament Commission has been meeting since 14th March [see 20.3.52 ld(8)] but has been unable to make much progress, owing to the unwillingness of the Soviet representative to discuss any but the Soviet proposals, or to explain what the Soviet Union envisaged as an alternative to the Western plan in the control of atomic energy until the Western Powers first agreed to ban the atom bomb. The Commission has, moreover, been hindered in its work by Soviet use of it as a forum for propaganda accusations against the United Nations Command in Korea of engaging in bacteriological warfare [see 20.3.52 lh(45)].

European Defence Community

On 27th May, in Paris, the Foreign Ministers of France, Belgium, the German Federal Republic, Italy, Luxembourg and the Netherlands signed a treaty to establish the European Defence Community (EDC). On the same day were also signed a treaty between the United Kingdom and the member States of the European Defence Community, and a protocol to the North Atlantic Treaty to establish mutual security guarantees between members of the North Atlantic Treaty Organization (NATO) and members of EDC. In addition, the Governments of the United Kingdom, United States and France issued a joint declaration, declaring their abiding interest in the strength and integrity of EDC and giving new security guarantees to Berlin. [The UK Government published on 27th May a White Paper—*Memorandum regarding Western support for the European Defence Community*—Cmd. 8562, giving the texts of the UK-EDC treaty, the North Atlantic Treaty protocol and the tripartite declaration].

The contractual agreements between the United Kingdom, United States and France on the one hand and the German Federal Republic on the other, signed on 26th May, will not come into force until the entry into force of the treaty setting up EDC [see 1g of this issue].

Treaty to Establish the European Defence Community

The signing of the treaty to establish the European Defence Community concludes the work of the Paris conference, which began on 15th February 1951 on the basis of a plan submitted by the French Government. In October 1950, M. Pleven, then Prime Minister of France, proposed the formation of a European Army, the French Government having made it clear that German participation in such an integrated army was the only basis on which France could accept German rearmament [see 27.7.51 1c p.10]. The Paris conference was attended by delegates from France, Belgium, the German Federal Republic, Italy and Luxembourg. The Netherlands Government at first sent observers, but became a direct participant in the negotiations for EDC on 8th October 1951. Representatives of the United Kingdom, United States, Canada, Denmark, Norway, Portugal and Supreme Headquarters Allied Powers Europe (SHAPE) attended the conference as observers.

The Foreign Ministers of the six participating Governments met, from time to time, to review the work of the Paris Conference, and by January 1952 agreement had been reached on the main elements of the EDC treaty [see 7.2.52 1f(16)]. The North Atlantic Council, at its meeting in Lisbon in February 1952, considered a report by the Paris Conference and found that the principles underlying the treaty to establish EDC conformed to the interests of members of NATO. The Council also agreed that there should be reciprocal security undertakings between NATO and EDC, and approved a system of consultation between the North Atlantic Council and the Council of EDC [see 6.3.52 1f(32)]. The draft of the EDC treaty was initialled on 9th May by the heads of the delegations of the six participating countries before final consideration by their Governments prior to signature [see 15.5.52 1f(66)].

Provisions of the Treaty

The treaty will not come into force until it is ratified by the Parliaments of the participating countries. It will have a duration of 50 years, with the qualification that, if the North Atlantic Treaty should have ceased to exist

or the composition of NATO should have been essentially modified before the realization of a European federation or confederation, the participating countries will jointly examine the new situation.

The treaty defines EDC as being of 'supra-national character, with common institutions, common armed forces and a common budget'. The purpose of EDC is stated as being to contribute to the maintenance of peace, 'notably by ensuring the defences of Western Europe, in close liaison with organizations having the same object, against all aggression'.

The treaty and its protocols deal with the principles, institutions and structure of EDC; the composition and organization of its defence forces; its financial and budgetary provisions; the relations between the EDC Council and the North Atlantic Council; the military contribution of Luxembourg; commercial and fiscal relations within the EDC area; the status of European troops in the EDC area; the undertakings of assistance to be given by EDC countries to NATO countries. [The main points of the structure and organization of EDC were given in the issue of 7.2.52 1f(16)].

Treaty between the United Kingdom and Members of EDC

On 27th May, the United Kingdom Foreign Secretary and the Foreign Ministers of the member States of the European Defence Community—France, Belgium, German Federal Republic, Italy, Luxembourg and the Netherlands—signed a treaty to extend, as between the United Kingdom and the member States of EDC, the guarantee of assistance against aggression given in Article IV¹ of the Brussels Treaty of 17th March 1948. On 16th April, the UK Government had issued a statement indicating its willingness to enter into formal treaty relationship with EDC to provide that the reciprocal undertakings in the Brussels Treaty to render automatic military assistance in the event of attack should, in future, apply as between the United Kingdom and the European Defence Community. This commitment would be valid for the period during which the United Kingdom remained a party to the North Atlantic Treaty. The EDC Governments issued a similar statement on 16th April [see 17.4.52 1f(54)].

Substantive Articles of the Treaty

The text of the substantive articles of the Treaty is as follows:

Article I: If at any time, while the United Kingdom is party to the North Atlantic Treaty, any other party to the present Treaty which is at that time a member of the European Defence Community, or the European Defence Forces, should be the object of an armed attack in Europe, the United Kingdom will, in accordance with Article 51 of the United Nations Charter, afford the Party or the Forces so attacked all the military and other aid and assistance in its power.

Article II: If at any time while Article I remains in force the United Kingdom or its armed forces should be the object of an armed attack in

¹The text of Article IV of the Brussels Treaty, concluded by the Governments of the United Kingdom, France, Belgium, the Netherlands and Luxembourg, states:

'If any of the High Contracting Parties should be the object of an armed attack in Europe, the other High Contracting Parties will, in accordance with the provisions of Article 51 of the Charter of the United Nations, afford the Party so attacked all the military and other aid and assistance in their power.'

Europe, the other Parties to the present Treaty which are at that time members of the European Defence Community, and the European Defence Forces, will afford the United Kingdom and its forces all the military and other aid and assistance in their power.

Article III: The present Treaty shall be ratified and its provisions carried out by the signatories in accordance with their respective constitutional processes. The instruments of ratification shall be deposited with the Government of the United Kingdom, which shall notify the Governments of the other signatories of each deposit. The Treaty shall enter into force when all the signatories have deposited their instruments of ratification and the Council of the European Defence Community has notified the Government of the United Kingdom that the Treaty establishing the European Defence Community has entered into force.

Protocol to the North Atlantic Treaty

On 27th May, representatives of the 14 member States of the North Atlantic Treaty Organization signed a protocol to the North Atlantic Treaty, extending the application of Article 5¹ of that Treaty to all members of the European Defence Community. The North Atlantic Council, at its meeting at Lisbon in February 1952, had agreed that all members of NATO and the EDC should be reciprocally bound by the obligations laid down in the North Atlantic Treaty [see 6.3.52 lf(32)].

Text of the Protocol

The text of the protocol to the North Atlantic Treaty is as follows:

The Parties to the North Atlantic Treaty, signed at Washington on 4th April, 1949,

Being satisfied that the creation of the European Defence Community set up under the Treaty signed at Paris on 27th May, 1952, will strengthen the North Atlantic Community and the integrated defence of the North Atlantic area, and promote the closer association of the countries of Western Europe, and

Considering that the Parties to the Treaty setting up the European Defence Community have signed a Protocol, which will enter into force at the same time as the present Protocol, giving to the Parties to the North Atlantic Treaty guarantees equivalent to the guarantees contained in *Article 5 of the North Atlantic Treaty*,

Agree as follows:

¹Article 5 of the North Atlantic Treaty states:

'The Parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all; and consequently they agree that if such an armed attack occurs, each of them, in exercise of the right of individual or collective self-defence recognized by Article 51 of the Charter of the United Nations, will assist the Party or Parties so attacked by taking forthwith individually and in concert with the other Parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area.

'Any such armed attack and all measures taken as a result thereof shall immediately be reported to the Security Council. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.'

ARTICLE I

An armed attack:

- (i) on the territory of any of the members of the European Defence Community in Europe or in the area described in Article 6¹ (i) of the North Atlantic Treaty, or
- (ii) on the forces, vessels or aircraft of the European Defence Community when in the area described in Article 6 (ii) of the said Treaty,

shall be considered an attack against all the Parties to the North Atlantic Treaty, within the meaning of Article 5 of the said Treaty, and Article 5 shall apply accordingly.

The expression 'member of the European Defence Community' in paragraph (i) of this Article means any of the following States which is a member of the Community, namely, Belgium, France, the German Federal Republic, Italy, Luxembourg and the Netherlands.

ARTICLE II

The present Protocol shall enter into force as soon as each of the Parties has notified the Government of the United States of America of its acceptance, and the Council of the European Defence Community has notified the North Atlantic Council of the entry into force of the Treaty setting up the European Defence Community. The Government of the United States of America shall inform all the Parties to the North Atlantic Treaty of the date of the receipt of each such notification and of the date of the entry into force of the present Protocol.

ARTICLE III

The present Protocol shall remain in force for so long as the North Atlantic Treaty and the Treaty setting up the European Defence Community remain in force, and the Parties to the latter Treaty continue to give, in respect of themselves and the European Defence forces, guarantees to the Parties to the North Atlantic Treaty equivalent to the guarantees contained in the present Protocol.

ARTICLE IV

The present Protocol, of which the English and French texts are equally authentic, shall be deposited in the Archives of the Government of the United States of America. Duly certified copies thereof shall be transmitted by that Government to the Governments of all the Parties to the North Atlantic Treaty and of all the Parties to the Treaty setting up the European Defence Community.

¹Article 6 of the North Atlantic Treaty states:

'For the purpose of Article 5, an armed attack on one or more of the Parties is deemed to include an armed attack—

- (i) on the territory of any of the Parties in Europe or North America, on the Algerian Departments of France, on the territory of Turkey or on the islands under the jurisdiction of any of the Parties in the North Atlantic area north of the Tropic of Cancer;
- (ii) on the forces, vessels or aircraft of any of the Parties, when in or over these territories or any other area in Europe in which occupation forces of any of the Parties were stationed on the date when the Treaty entered into force or the Mediterranean Sea or the North Atlantic area north of the Tropic of Cancer.'

Tripartite Declaration

On 27th May, on the occasion of the signature of the treaty establishing the European Defence Community, the Governments of the United Kingdom, United States and France issued a joint declaration, affirming their abiding interest in the strength and integrity of EDC and reaffirming their guarantee of the security of Berlin, this guarantee superseding the assurances contained in the declaration of the Foreign Ministers of the United Kingdom, United States and France at New York on 19th September 1950 [see 22.9.50 5a pp.41-44].

Text of the Declaration

The text of the tripartite declaration is as follows:

'The Governments of France, the United Kingdom of Great Britain and Northern Ireland and the United States of America have signed conventions with the German Federal Republic which will establish a new relationship with that country. These conventions, as well as the treaties for a European Defence Community and a European Coal and Steel Community, of which France is a signatory, provide a new basis for uniting Europe and for the realization of Germany's partnership in the European community. They are designed to prevent the resurgence of former tensions and conflicts among the free nations of Europe and any future revival of aggressive militarism. They make possible the removal of the special restraints hitherto imposed on the Federal Republic of Germany and permit its participation as an equal partner in Western defence.

'These conventions and treaties respond to the desire to provide by united efforts for the prosperity and security of Western Europe. The Governments of the United Kingdom and the United States consider that the establishment and development of these institutions of the European community correspond to their own basic interests and will therefore lend them every possible co-operation and support.

'Moreover, Western defence is a common enterprise in which the Governments of the United Kingdom and the United States are already partners through membership of the North Atlantic Treaty Organization.

'These bonds are now strengthened by the system of reciprocal guarantees agreed to between the member States of the European Defence Community, between these member States and the United Kingdom and also between these member States and the member States of the North Atlantic Treaty Organization.

'For these various reasons, including the fact that these new guarantees will apply to the States concerned only as members of one or the other of these organizations, the Governments of the United Kingdom and the United States have an abiding interest, as has the Government of France, in the effectiveness of the Treaty creating the European Defence Community and in the strength and integrity of that Community. Accordingly, if any action from whatever quarter threatens the integrity or unity of the Community, the two Governments will regard this as a threat to their own security. They will act in accordance with Article 4¹ of the North Atlantic Treaty. Moreover, they have each expressed their resolve to station such forces on the continent of Europe, including the Federal Republic of Germany, as they deem necessary and appropriate to contribute to the joint defence of the North Atlantic Treaty area, having regard to their

¹Article 4 of the North Atlantic Treaty states:

'The Parties will consult together whenever, in the opinion of one of them, the territorial integrity, political independence or security of any of the Parties is threatened.'

obligations under the North Atlantic Treaty, their interest in the integrity of the European Defence Community, and their special responsibilities in Germany.

'The security and welfare of Berlin and the maintenance of the position of the three Powers there are regarded by the three Powers as essential elements of the peace of the free world in the present international situation.

'Accordingly, they will maintain armed forces within the territory of Berlin as long as their responsibilities require it. They therefore reaffirm that they will treat any attack against Berlin from any quarter as an attack upon their forces and themselves.

'These new security guarantees supersede the assurances contained in the declaration of the Foreign Ministers of France, the United Kingdom and the United States at New York on 19th September 1950.'

NATO Defence Exercises

Joint Naval Exercise in Channel

From 19th to 24th May, United Kingdom, French and Netherlands naval units took part in minesweeping and seaward defence exercises in the Channel area, under the direction of Rear-Admiral Rebuffel, of the French Navy. UK and French ships, aircraft and marines took part in a landing exercise, involving an 'attack' on Cherbourg, which was observed by Admiral of the Fleet Sir Arthur Power, C-in-C, NATO Channel Command.

Air-Sea Exercise 'Castanets'

A major NATO naval and maritime air exercise, to be known as *Castanets* and involving more than 250 ships and 400 aircraft, will be held in June.

The exercise will be conducted by Admiral of the Fleet Sir Arthur Power, acting in his capacity as Commander-in-Chief, UK Home Station (designate), and Allied Commander-in-Chief, Channel, from his headquarters in the Portsmouth area. Over-all control of the maritime air forces will be exercised by Air Marshal Sir Alick Stevens, Air Officer Commanding-in-Chief, RAF Coastal Command, in his capacity as Allied Maritime Air Commander-in-Chief, Channel. Naval and air forces of Belgium, Canada, Denmark, France, Netherlands, Norway, Portugal, United Kingdom and the United States will take part. Included in the United Kingdom forces will be a large detachment of the Home Fleet under the command of Admiral Sir George Creasy.

The main objects of *Castanets* are to exercise the war-time command organization of the Channel and Home Commands and their approaches, and to exercise Allied maritime forces in war operations, particularly those involved in the protection of trade and in mining countermeasures. *Castanets* will range over large areas of the North Sea, the Channel and adjacent areas, and will last for many days. During this period, all forces engaged will operate under war-time conditions.

The West and Germany

Contractual Agreements Signed at Bonn

On 26th May, at Bonn, the United Kingdom, United States and French Foreign Ministers and the German Federal Chancellor signed agreements, comprising a Convention on Relations between the United Kingdom, United States and France on the one hand and the German Federal Republic on the other, together with three related conventions and a number of accompanying instruments. The Convention on Relations sets out the basis for future relations between the three Western Powers and the Federal Republic, and in two annexes to the convention are outlined: (1) a declaration of the German Federal Government on material aid to Berlin; and (2) the charter of an Arbitration Tribunal to be set up to deal with disputes, arising between the three Powers and the Federal Republic under the contractual agreements, which they are not able to settle by negotiation. The related conventions are: (1) Convention on the Rights and Obligations of Foreign Forces and their Members in the Federal Republic of Germany; (2) Finance Convention—dealing with the financial arrangements governing the Federal Republic's contribution to Western defence; (3) Convention on the Settlement of Matters Arising out of the War and the Occupation, to which is annexed the Charter of an Arbitral Commission to be set up to settle disputes on foreign property rights and interests in the Federal Republic.

The text of the Convention on Relations and a list of the other instruments signed at Bonn were given in a United Kingdom White Paper, *Memorandum on Relations between the Three Powers and the Federal Republic of Germany* (Cmd. 8563), issued on 26th May. A Declaration on Berlin by the three Western Powers was issued on 26th May by the Allied *Kommandatura* in Berlin, and was published as a White Paper, *Memorandum on the Principles Governing the Relationship between the Allied Kommandatura and Greater Berlin* (Cmd. 8564). This declaration does not form part of the contractual agreements, which do not apply to Berlin because of the special status of the city.

Purpose of the Contractual Agreements

The contractual agreements are designed to fulfil the common aim of the four signatory States 'to integrate the Federal Republic on a basis of equality within the European community, itself included in a developing Atlantic community'. The agreements have been freely negotiated on a basis of complete equality; they end the occupation and establish between the three Western Powers and the Federal Republic a new relationship based on equal partnership. The three Western Powers have retained in the common interest of the four signatory States, only those special rights of which retention is necessary in view of the international situation in Germany.

Ratification and Entry into Force

The agreements form part of a single structure, which embraces also the treaty setting up the European Defence Community and its related instruments. The agreements will not come into force until ratified by the four signatory States and until the entry into force of the treaty establishing the European Defence Community [see under 1f of this issue].

[Over

Origin of the Agreements

Negotiations for the contractual agreements have proceeded during the past year parallel with the negotiations for the treaty to set up the European Defence Community. In December 1950, after the North Atlantic Council approved the principle of a German contribution to Western defence, the UK, US and French Foreign Ministers authorized their High Commissioners in the Federal Republic to explore the question of 'any change in the present occupation arrangements which might logically attend a German defence contribution' [see 29.12.50 1c p.9]. Conversations accordingly began in May 1951 between representatives of the Allied High Commission and the German Federal Government to seek a basis for concluding a new contractual relationship between the three Western Powers and the Federal Republic. The UK, US and French Foreign Ministers, after meeting in Washington in September 1951, stated that the Allied High Commission had been instructed to begin formal negotiations for a contractual settlement [see 21.9.51 1a p.5]. This new relationship they regarded as essential in view of the Western Powers' policy of including the Federal Republic as an equal partner in the European community, and in view of the proposed German contribution to Western defence. [*The background to the negotiation of the contractual agreements was given in a Reference Note 'The West and Germany', R.2369 of 8.4.52*].

Mr. Eden's Statement on the Agreements

In a statement to Press representatives after the signing of the agreements, Mr. Eden, UK Foreign Secretary, said that they might well prove to be historic, but that depended not only on Governments but on peoples, in whose power it lay to make this understanding a basis on which a free and united Europe could be built. He said that no nation was excluded from such a Europe, 'for our purpose is defence and security and we threaten no one'.

Mr. Eden said that all the nations represented at the signature had suffered from wars, but, he added, 'it lies within the power of statesmanship and the wisdom of nations to bring that chapter to an end'. The agreements could mean more than closing a war and its aftermath and could 'open a window on the future and give Europe a chance to free itself from the wars that have tortured two generations'.

Statements by Other Foreign Ministers

Before the signing, Dr. Adenauer, German Federal Chancellor, welcomed the three Western Foreign Ministers and said that the agreements—the last word on which rested with the Parliaments of the signatory States—would bring freedom back to Germany. Dr. Adenauer said that the agreements and the EDC treaty marked a new epoch in the history of Europe—an epoch of peace and co-operation.

M. Schuman, French Foreign Minister, in replying on behalf of the Western Foreign Ministers, emphasized the link between the agreements being signed in Bonn and the EDC treaty to be signed in Paris. He said that patience and trust were needed and added: 'Our Governments and peoples must learn to co-operate again in a common spirit, so that step by step a new world will be created in which none shall dominate, but all shall serve.'

After the signing of the agreements, the Western Foreign Ministers and the German Federal Chancellor made similar statements to representatives of the Press. Mr. Acheson, US Secretary of State, congratulated the

Federal Republic on its new place in the world and said that the free nations welcomed 'a new partner in their great effort to establish peace and security in the world'.

CONVENTION ON RELATIONS

The Convention on Relations between the Three Powers and the Federal Republic, consisting of a preamble and 11 articles, sets forth the basis for future relations between the three Powers and the Federal Republic. The preamble states the common aim of the signatory Powers as being 'to integrate the Federal Republic on a basis of equality within the European community, itself included in a developing Atlantic community'. At the same time, 'the achievement of a fully free and unified Germany through peaceful means and of a freely negotiated peace settlement' remains their 'fundamental and common goal'.

The major provisions of the 11 articles of the Convention are summarized below.

Sovereignty of the Federal Republic

The Occupation Statute will be revoked; the Allied High Commission and *Land* Commissions will be abolished; the three Powers will conduct their relations with the Federal Republic through ambassadors. (*Article 1*).

The Federal Republic will have full authority over its internal and external affairs, except for certain rights relating to the stationing of armed forces in Germany and the protection of their security, to Berlin, and to Germany as a whole, including unification and a peace settlement, which the three Powers retain in view of the international situation (*Articles 1 and 2*). If the security of their forces is endangered, the three Powers may proclaim a state of emergency if the Federal Republic and the European Defence Community are unable to deal with the situation (*Article 5*).

Equal Partnership for Federal Republic

The Federal Republic will be an equal partner in the European community; it agrees to conduct its policy in accordance with the principles of the United Nations Charter and the aims defined in the Statute of the Council of Europe; it freely undertakes to associate itself fully with the community of free nations through membership in international organizations contributing to the common aims of the free world and to participate in the European Defence Community. (*Articles 3 and 4*).

Unification of Germany and Negotiated Peace Settlement

The four signatory States agree that a peace settlement for the whole of Germany shall be freely negotiated and that the final determination of the boundaries of Germany must await such a settlement. They also agree that a unified Germany will enjoy the rights and be bound by the obligations conferred and imposed on the Federal Republic by the conventions and treaties for the formation of an integrated European community. (*Article 7*).

Aid to Berlin

The Federal Republic will continue its aid to the political, cultural, economic and financial reconstruction of Berlin, and will co-operate with the three Powers in order to facilitate the discharge of their responsibilities with regard to Berlin. (*Article 6*).

Revision of Agreements

The four signatory States will review the terms of the Convention and the related Conventions at the request of any one of them in the event of the unification of Germany, or the creation of a European federation, or any other occurrence recognized by all the four States to be of a similarly fundamental character. They will then modify the Convention and related Conventions by mutual agreement. (*Article 10*).

Ratification and Entry into Force

The Convention and related Conventions will be ratified or approved by the signatory States in accordance with their respective constitutional procedures. The Convention will enter into force immediately upon: (1) the deposit by all the signatory States of instruments of ratification of the Convention and the related Conventions; and (2) the entry into force of the treaty on the establishment of the European Defence Community. (*Article 11*).

Arbitration Tribunal

An arbitration tribunal will be set up to secure equality of treatment and to have jurisdiction over all disputes between the three Powers and the Federal Republic, arising from the application of the Conventions, which the parties have been unable to settle by negotiation. The tribunal will not have jurisdiction over any dispute connected with the exercise of rights reserved to the three Powers relating to Berlin, to Germany as a whole, and to the stationing of armed forces and protection of their security. (*Article 9*).

The charter of the arbitration tribunal—given in Annex B to the Convention on Relations—provides that the tribunal shall consist of nine members, of whom three will be appointed by the Federal Republic, one by each of the three Powers, and three neutral members by agreement between the three Powers and the Federal Republic.

THE RELATED CONVENTIONS

The following is a brief summary of the scope of the related conventions.

Rights and Obligations of Foreign Forces in the Federal Republic

The Convention on the Rights and Obligations of Foreign Forces and their Members in the Federal Republic of Germany is intended to lay down the conditions under which foreign forces will be stationed in Germany for the defence of the Federal Republic. It deals with such matters as the legal status of members of the forces and their dependants, their co-operation with the German authorities and their security and logistical support. It is accompanied by Annexes dealing with certain resultant amendments to German criminal law and with the allocation of radio frequencies.

German Financial Contribution to Western Defence

The Finance Convention is intended to ensure that the Federal Republic of Germany will make a continuing contribution to Western defence comparable to that made by the other principal Western countries, to provide that a part of this contribution shall be used to assist in meeting the costs of Allied forces stationed in Germany and to lay down the arrangements under which this support will be provided. An Annex provides for the settlement of damage claims against United Kingdom forces.

The Federal Republic agrees to make a financial contribution at the rate of 850 million Deutschmarks (DM) per month, from the effective date of the contractual agreements until 30th June 1953 [see 6.3.52 1f(40)]. After that date, the contribution will be determined by the same NATO criteria which apply to the defence expenditure of other countries participating in Western defence [see 10.1.52 1f(1) and 21.2.52 1f(21)]. The contribution will be divided between the European Defence Community and foreign forces stationed in the Federal Republic. For the first six months after the contractual agreements become effective, an average of DM.551 million a month will be used to support foreign forces stationed in the Federal Republic, and in the following three months an average of DM.391 million. The remainder will go to the EDC.

Matters Arising out of the War and Occupation

The Convention on the Settlement of Matters arising out of the War and the Occupation consists of 12 chapters dealing with the following matters:

1. General provisions, such as the validity of rights and obligations created by acts of the Occupation Authorities or under international agreements; the general principles applicable to Occupation legislation; non-discrimination against persons who have co-operated with the Allies; the future handling of war criminals and other matters.
2. The deconcentration and decartelization of German industry.
3. Internal restitution; the return of identifiable property of Nazi victims, together with a charter for a Supreme Restitution Court.
4. Compensation for the victims of Nazi persecution.
5. External restitution; the return of property looted from German-occupied territories with provisions for the establishment of a Federal Administrative Agency.
6. Reparation.
7. Displaced persons and refugees.
8. Claims against Germany; embodying transitional provisions related to the settlement of the German external debt.
9. Certain claims against foreign nations and nationals; their suspension until a final settlement and the transfer to the Federal Government of the assets and liabilities of the Joint Export-Import Agency.
10. Foreign interests in Germany, together with provisions for the establishment of a Federal Administrative Agency.
11. Facilities for the embassies and consulates of the three Powers in the Federal Republic of Germany.
12. Civil aviation.

To this Convention is annexed the charter of the Arbitral Commission on Property Rights and Interests in Germany. This Commission will decide disputes arising out of Chapters 5 and 10 of the Convention.

EXCHANGES OF LETTERS

In addition to the conventions, a number of letters, forming part of the contractual agreements, were also published on 26th May. These letters—some exchanged by the three Western Foreign Ministers and the German Federal Chancellor and some by the Allied High Commissioners and the German Federal Chancellor—deal with particular aspects of the Conventions. The principal questions covered are: (1) The exercise by the three Powers of

their reserved rights in Germany under Article 2 of the Convention on Relations; (2) the specification of certain Control Council legislation not to be deprived of effect after the ratification of the agreements; (3) the continuing validity of specified international agreements concluded by the Western Powers on behalf of the Western zones during the Occupation period, with a reservation that the inclusion of agreements referring to the Saar does not constitute recognition by the Federal Republic of the present status of the Saar; (4) the relationship between the Federal Republic and Berlin; (5) provision for consultation between the three Powers and the Federal Government to consider putting certain provisions of the conventions into effect, in the event of undue delay on the part of other Powers in ratifying the EDC treaty after ratification of the conventions by all four signatory States.

Three-Power Declaration on Berlin

On the instruction of the United Kingdom, United States and French Foreign Ministers, the Allied *Kommandatura* in Berlin issued a declaration on 26th May, redefining the principles to govern relations between the Allied *Kommandatura* and Greater Berlin when the contractual agreements between the Western Powers and the Federal Republic come into force. This declaration, which does not form part of the contractual agreements, will liberalize Allied controls in Berlin to the maximum extent practicable in view of the city's special position and the rights required by the Western Powers to fulfil their international obligations.

Council of Europe

Ministers Approve Principle of UK Proposals

The Committee of Ministers of the Council of Europe met in Strasbourg on 22nd and 23rd May, and unanimously adopted a resolution approving the principle underlying the United Kingdom proposals that organic liaison should be established between the restricted communities—European Coal and Steel Community and European Defence Community—and the Council of Europe. Mr. Eden, UK Foreign Secretary, had presented the UK Government's proposals at the tenth session of the Committee of Ministers in Paris on 19th-20th March [see 20.3.52 lg(23) and a Reference Note—*The United Kingdom and the Council of Europe*, R.2396 of 8.5.52].

The resolution adopted by the Committee of Ministers on 23rd May recognized that the relationship between the Council and the restricted communities could not be exactly defined until the latter came into being. The resolution provided that all the relevant documents should be transmitted to the Consultative Assembly to obtain its opinion on the best means of giving effect to the UK proposals; that the Secretary-General of the Council should obtain the views of the six Governments participating in the restricted communities and of the communities themselves as soon as they come into existence; that the Ministers' deputies should proceed with a detailed examination of the problem on the basis of the opinions obtained; and that the Committee of Ministers would resume examination of the question at its next session.

The Committee of Ministers also completed its annual report to the Consultative Assembly on the past year's work.

The Situation in Korea

UK Prime Minister's Statement

On 28th May, Mr. Winston Churchill, UK Prime Minister, made a statement to the House of Commons on the UK part in operations in Korea since 6th June 1951 [see 15.6.51 2d p.17], and on the present military situation in Korea. He said there had been a great change in the military position since the armistice talks had begun in July 1951, the Communist forces having taken full advantage of the lull in the fighting to reinforce, re-organize and re-equip their armies.

The Prime Minister also announced that Lord Alexander, UK Minister of Defence, had accepted an invitation from General Mark Clark, the Commander of the UN Forces in Korea, to stay with him in Tokyo and visit the battle front in Korea. He thought it would be a great advantage that they should talk all matters over freely between them during Lord Alexander's visit to the Far East.

OPERATIONS IN KOREA, JUNE 1951-MAY 1952

During the course of his statement, Mr. Churchill reviewed military operations in Korea during the past year.

He said that ground operations had only been on a small scale since last July and consisted at present of reconnaissance patrols and probing attacks. 'Our forces', he said, 'hold strong defensive positions, strengthened by field fortifications, wire and mines, and the Communists have also strengthened their defences. Patrolling is active and determined on both sides. The Communists have launched a number of attacks of up to regimental strength, supported by heavy concentrations of artillery and mortar fire. These attacks have been contained by United Nations forces, and in almost all cases any ground lost initially has subsequently been regained. In this static situation, the United Nations Command is taking every opportunity to relieve units for rest and re-training'.

The UN air forces, on the other hand, had carried out regular heavy attacks against enemy positions. These air forces, he said, 'are playing a very important part in limiting the enemy's chances of launching a successful offensive. Their chief task is to put out of action and keep unserviceable the major North Korean airfields capable of being used for jet fighter operations. As an example of their success, our accurate night bombing made the Communists abandon their effort to base jet fighters on three new airfields, which they constructed in the Sinanju area last autumn, and on two other airfields, which they had enlarged to accommodate jet aircraft. Sinanju is half-way between the Chinese border and the capital city of Seoul on the west coast.

'The result of these operations has been that the United Nations has air superiority over the immediate battle area. A large proportion of the Chinese aircraft are still stationed in Manchuria. The lack of forward airfields would seriously handicap them if they attempted to carry out a sustained air offensive. The other main objective of the attacks by our air forces is to disrupt the flow of supplies to the enemy, to limit their troop movements and destroy their supply areas. The success of these attacks has severely restricted rail traffic in North Korea and has forced them to limit vehicle movement almost entirely to the hours of darkness.'

[Over

Part Played by Commonwealth Forces

Mr. Churchill said that ships of the Royal Navy, together with units of the Australian, Canadian and New Zealand navies were operating on both the west and east coasts of Korea. A force including 2 British light cruisers and 1 Australian aircraft carrier, was maintaining command of the Yellow Sea and patrolling the west coast of North Korea, between the gulf of the Yalu River and the Han River estuary, thus cutting all enemy sea communications between China and North Korea and between North Korea and the battle area. This force also prevented the enemy from invading the numerous islands lying off the west coast which are held and used by the UN forces. Guns of Commonwealth naval units also regularly engaged enemy troops and other military targets on this coast. A Commonwealth aircraft carrier provided coastal reconnaissance and daily air strikes against enemy targets on the mainland, and gave close support to the army when required.

‘Although’, he continued, ‘they have not recently been engaged in heavy fighting, troops of the Commonwealth Division take part daily in patrols and probing attacks, and they have maintained their reputation of being in the highest rank of the divisions in Korea. They are occupying one of the most vital defensive positions of the Allied line across the peninsula covering the approaches to the capital city of Seoul. There are Canadian, Australian, New Zealand and Indian units, in addition to our own, in the Division, and their team work under the most stringent conditions have proved an outstanding success.’

The Royal Air Force squadron of *Sunderland* flying boats continued to take an active part in the anti-submarine and shipping patrols which ensured the security of the sea lines of supply between Japan and Korea [see 1.5.52 1h(61)]. A number of RAF fighter pilots had been serving with American squadrons, and they had acquitted themselves with distinction during their tour of duty. South African and Australian squadrons had also been playing their part in United Nations air operations.

The total casualties suffered by the United Kingdom forces since June 1950 were 513 officers and men killed, 1,601 wounded, 939 prisoners of war and 197 missing; a total of 3,250 officers and men.

THE PRESENT MILITARY SITUATION

The Prime Minister stated that, as a result of the Communist policy of reinforcement, ‘the size of the force in the field against the United Nations Command is not far short of 1,000,000 men, compared with a total of just over 500,000 last July. Although the number of enemy formations has been increased, this reinforcement has largely consisted of building existing units up to full strength. The fresh troops are mainly Chinese. At the same time, the enemy’s strength in armour and artillery has steadily mounted. They are now believed to have over 500 tanks and self-propelled guns. There have been large increases in the numbers of anti-aircraft and anti-tank guns, heavy mortars and field artillery. Rocket launchers have also made their appearance.

‘Despite our air superiority over the immediate battle area, the enemy have also been able to build up large stocks of all types of supplies during the past ten months. There has been a marked increase in the size of the enemy air forces, which have about 1,800 aircraft compared with some 1,000 aircraft last July. About 1,000 of these aircraft are jet fighters, mostly MIG 15s. There is no evidence at present of an imminent enemy attack, but with their reinforcements, the Communists are now in a position

to launch a major offensive with little warning and could maintain the initial pressure of their attacks for some time. The United Nations' Forces have not been idle during the last 10 months. They now hold the most strongly defended line that they have ever occupied across the peninsula and they are, of course, backed by strong close-support air forces.'

The Prime Minister said that the situation in Korea was very grave but that 'the United Nations Commander, the American general on the spot, believes that the United Nations are capable of holding a violent offensive should it be made against them on the breakdown of the peace negotiations'.

'I feel', he said, 'that during the last ten months we have been engaged in truce-making under extraordinary conditions. I do not think there has ever been any will to peace on the side of the enemy, who were suffering so heavily when the truce was begun and who have certainly improved their position in the meanwhile'.

Delimitation of Territorial Waters

UK Note to Iceland

On 2nd May the UK Government delivered a Note to the Icelandic Government asking them to modify new fishing regulations due to come into force on 15th May. These would prohibit the trawlers of all nations, including Iceland, from fishing in certain waters and would have the effect of excluding British fishing vessels from an area where they have been accustomed to fish for over half a century, and from which they normally obtain some 25,000 tons of fish annually. The Icelandic Government, following a recent ruling by the International Court in favour of Norway concerning a dispute with the United Kingdom about the delimitation of territorial waters [see 24.1.52 lh(14)], had announced on 19th March that it would in future regard as territorial waters a four-mile strip measured from base lines drawn from point to point between promontories, islands and rocks off the shore. The UK Note denied the Icelandic Government's right to claim a territorial sea of four miles, instead of the three miles generally accepted in international law, and contended that there was no justification in international law or in the Court's ruling for the base line drawn across the Faxe Floi. The Icelandic Government, in a reply published on 16th May, declined to alter the regulations.

International Law and Territorial Waters

Broadly speaking, prior to the judgment of the International Court in the Anglo-Norwegian Fisheries case, it had been generally accepted practice to use as a base line for a three-mile limit of territorial waters the low-water mark along the coast, each island having its own belt of territorial waters. Where there was a bay with an opening of less than ten miles, the base line was drawn from headland to headland, and where the bay had an opening of more than ten miles the base line was drawn across the bay at the nearest point to the entrance where the width was no more than ten miles.

The general principles emerging from the Court's latest judgment are as follows:

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- (1) the delimitation of sea areas has always an international aspect and its validity with regard to States other than the coastal State depends on international law;
- (2) there is no general obligation to make the low-water mark the base line from which territorial waters are measured. At any rate where the coast is curved, territorial waters may be measured from base lines drawn from point to point so long as the base lines follow the general direction of the coast and are 'reasonable', and so long as the areas lying within the base lines are 'sufficiently closely linked to the land domain to be subject to the régime of internal waters;
- (3) the ten-mile rule for bays has not the authority of a general rule of international law;
- (4) it may be permissible in some cases to draw base lines 'between islands, islets and rocks, across the sea areas separating them, even when such areas do not fall within the conception of a bay'. In such cases, however, the areas enclosed by the base lines should be situated *inter fauces terrarum* (between the jaws of the land or from headland to headland, the islands, islets and rocks being considered for this purpose as an extension of the mainland coast).
- (5) where there is a fringe of islands off the coast, the base line may follow the outer edge of the fringe on the same principle;
- (6) there is no fixed limit to the length of base lines that may be drawn in these ways;
- (7) the waters between an island fringe and the mainland may be claimed as internal waters;
- (8) where a State has particular economic interests of long standing, it may make even more liberal use of long base lines than it would otherwise be justified in making.

Summary of the UK Note

In their Note of 2nd May the UK Government expressed regret at the Icelandic Government's unilateral action in publishing new fishing regulations without previous consultation with the UK Government. British fishing vessels had fished in waters from which the new regulations now excluded them for over half a century, and for a large part of this period there was in force a treaty between the two countries regulating fishery limits. The UK Government had in two previous Notes stated their readiness to hold discussions with the Icelandic Government in the light of the International Court's judgment. In these circumstances, and taking into account also Iceland's interest in the UK fish market, it would have been more consistent with the preservation of harmonious relations between the two countries if the Icelandic Government had accepted the UK Government's suggestion for agreement by negotiation on an *ad hoc* line, which would take into account both the long-standing interests of the United Kingdom fishing industry and the desire of Iceland for further conservation measures. In this connection the UK Government had already expressed willingness to discuss interim conservation measures pending the entry into force of the Overfishing Convention of 1946 and the setting up of the permanent international commission envisaged in it.

The UK Government expressed surprise that the Icelandic Government should consider that the International Court's recent judgment provided any warrant for claiming a territorial sea of four miles. The question of the breadth of territorial sea had not been before the Court at all in this case, as the UK Government had admitted that Norway was entitled on

very exceptional historic grounds to claim a territorial sea of four miles. Such grounds did not exist in the case of Iceland. In the area in question the principle of the three-mile limit was established many years before the Anglo-Danish Convention of 1901 (relating to Iceland) came into force. That Convention merely placed on record an established rule of international law and so denunciation of it did not entitle Iceland to fix limits wider than those prescribed by international law before the Convention came into force. 'Her Majesty's Government would remind the Icelandic Government of the Notes delivered by the Governments of Denmark and Sweden to the USSR on 24th July 1950 in which these Governments objected to the Soviet claim to a 12-mile territorial belt and in this connection pointed out that if, in a particular area, certain limits governing the breadth of territorial waters have become established, any extension of those limits constitutes an encroachment on the open sea, where the nationals of all countries are entitled to fish and navigate without hindrance from foreign States.'

The UK Note pointed out that in drawing a base line across the open sea to a cape further along the coast than the natural northern headland of the Faxa Floi the Icelandic Government had drawn a line which 'in no way follows the general direction of the coast and encloses areas of sea which cannot be said to be "sufficiently closely linked to the land domain to be subject to the régime of internal waters" or to be *inter fauces terrarum*'. This line was, moreover, considerably further to seaward than the line recommended by the International Council for the Exploration of the Sea in 1948 as the limit beyond which foreign vessels should not be allowed to fish.

If the Icelandic Government were able to agree to modify their new regulations regarding the four-mile limit and the Faxa Floi base line, it would go some way to alleviate 'the strong sense of dissatisfaction that has been created in the United Kingdom by the issue of the regulations in their present form.'

Mr. Selwyn Lloyd's Commons Statement

In answer to questions in the UK House of Commons on 26th May, Mr. Selwyn Lloyd, UK Minister of State for Foreign Affairs, said that the future policy of the UK Government regarding the delimitation of Britain's territorial waters was being studied in the light of the International Court's judgment in the Anglo-Norwegian fisheries case.

As a naval and maritime Power with considerable deep-sea interests, he said, the United Kingdom could not depart from its established policy of maintaining a maximum area of the seas free from national jurisdiction. Britain was in any case bound by certain fisheries conventions to retain the present exclusive fishery limits so far as the vessels of certain countries were concerned, and had the further obligation to consult the Colonial Governments which would be affected by any change in policy. While the Government were fully alive to the advantages which might accrue to inshore fishermen from the adoption of the base-line principle, they felt that 'it would not be right to come to firm conclusions with regard to a very serious action until the wider aspects of the problem have been fully studied.'

The UK Government were not prepared to extend the limit of British territorial waters from three to four miles. The decision of the International Court of Justice had concerned the method of delimiting the base-line from which territorial waters were measured and not the breadth of territorial waters. In the opinion of the UK Government it did not in

any way affect the position that it was contrary to international law for a State to claim a territorial belt of more than three miles unless very special historic circumstances could be invoked. In the Anglo-Norwegian fisheries case Britain had admitted that Norway was entitled to a four-mile belt precisely because of special historic circumstances. Norway had a limit of four miles which went back in time to a period earlier than the adoption of three miles by any country. [*Hansard Commons* 26.5.52, Cols. 942-4].

The Anglo-Egyptian Sudan

Sudanese Delegation in Cairo

An unofficial delegation of five prominent Sudanese, led by Sayed Abdullahi Fadil, nephew of Sayed Sir Abdel Rahman el Mahdi Pasha and a member of the Sudan Legislative Assembly, arrived in Cairo on 27th May to exchange views with the Egyptian Government. The four other members of the delegation are Sayed Mohammed Salih Shangiti, Speaker of the Legislative Assembly, Sayed Abdel Rahman Ali Taha, Sudanese Minister of Education, Sayed Babu Nimr, a member of the Legislative Assembly and Nazir of the Messaria tribe (Kordofan), and Sayed Ibrahim Ahmed Ibrahim, a member of the Sudanese Executive Council and vice-principal of the University College of Khartoum.

The delegation, which broadly reflects opinion in the Sudan Legislative Assembly, is visiting Cairo as the result of an official invitation sent by Neguib al Hilaly Pasha, the Egyptian Prime Minister, to Mahdi Pasha, one of the two principal religious leaders in the Sudan.

Self-Government Statute Sent to Co-domini

The final draft of the 'Self-Government Statute 1952' which is, in effect, a draft constitution representing the last stage in the Sudan's advance towards self-determination [see 3.4.52 lh(47)] was submitted by the Governor-General of the Sudan, Sir Robert Howe, to the Co-domini (the United Kingdom and Egypt) early in May.

The draft Statute was debated by the Sudan Legislative Assembly from 7th to 23rd April. At the conclusion of the debate the Assembly passed a motion expressing full agreement in principle with the draft Statute.

Life of Legislative Assembly Extended

The Sudan Legislative Assembly agreed on 15th May to the amendment of the Legislative Assembly ordinance of 1948 to permit the continuation of the present Assembly for four months after 23rd June. This action had earlier been requested by the Governor-General, who explained that the Co-domini would need time to examine and study the draft Self-Government Statute, making it probable that the holding of elections for a new Sudanese Parliament must be postponed for several months. It was stated by the Sudan Civil Secretary on 15th May that the amendment was necessary because it was felt that, until it was legally possible to go ahead with elections for the new parliament, the Sudan should not be without a representative assembly.

Recent World Economic Developments

United Nations Reports

The United Nations has recently prepared several reports which will help the Economic and Social Council, at its fourteenth Session beginning on 13th May, to take stock of the world economic situation and to make recommendations for international action. These reports are *World Economic Report 1950-51* and its supplements *Recent Changes in Production*, *Summary of Recent Economic Developments in the Middle East*, and *Summary of Recent General Economic Developments in Africa*.

World Production and Trade

These are some of the main points made in the *World Economic Report* and in *Recent Changes in Production*.

1. After a year and a half of rearmament the world produced more goods in 1951 than in any previous year. The increase was greater than the increase in military production alone, the supply of civilian goods having increased instead of fallen as had been expected. In the private enterprise economies—e.g., the United States and the United Kingdom—the rate of increase appeared to have slowed down during the second half of 1951 and early in 1952, the production of consumer goods having fallen owing to a slackening of consumer demand.
2. The expectations of raw material shortages had proved exaggerated. World output of most raw materials reached a post-war peak in 1950 and continued to expand in 1951.
3. Food production increased less than industrial production. Moreover it did not keep pace with the increase of world population. Food supplies a head were 4 per cent lower than before the war, and inequalities in food consumption were greater. Asia and the Far East were particularly black spots.
4. Production in under-developed countries expanded much less than in industrialized countries. This 'has served to widen still further the production gap to be bridged by the under-developed countries'.
5. Industrialized countries, which are predominantly exporters of manufactures and importers of raw materials, suffered a deterioration in terms of trade of about 10 per cent between the first halves of 1950 and 1951 followed by a small improvement in the second half of 1951.
6. The counterpart was seen in the export earnings of primary producing—mainly under-developed—countries. Increased earnings from raw material exports in the first nine months after hostilities began in Korea enabled these countries to finance larger imports of capital and consumer goods. Their fear that they would be unable to procure capital goods from the industrialized countries because of the demands of the rearmament programmes did not materialize during 1951. In fact, many of them were not able to absorb all the capital goods they could have imported. By the end of 1951, however, owing to a slackening of demand for their exports, they were once again having to be concerned about the adequacy of their foreign exchange resources.

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These developments illustrated the continuing vulnerability of the under-developed countries to fluctuations in international commodity markets. 'The alternation between fears of commodity surpluses and of shortages is of grave concern—and not merely to the under-developed countries.'

7. The trade of those Eastern European countries with centrally planned economies was affected by the restrictions on exports to them imposed by other countries. As a result, their trade with the rest of the world in 1951 was only about 70 to 75 per cent of what it had been in 1948 and about half of the pre-war level. The low level of imports by West European countries of coal, grain and timber from Eastern Europe was accompanied by a considerable expansion of their imports of these goods from North America. Trade among the Eastern European countries themselves almost doubled in quantity between 1948 and 1951, reflecting in part their increased production—which was in line with their plans—and the growth of the common planning of their economic objectives. Russia was the leading source of raw materials and equipment for the rest of Eastern Europe. The trade of China was also increasingly oriented towards the centrally planned economies of Russia and the Eastern European States.
8. In 1951 the previous trend towards the reduction of deficits with the United States was reversed. By the end of the year there were signs of considerable strain in the balance of payments position of Western Europe. The United Kingdom and France and their affiliated currency areas were compelled to reintroduce import restrictions which were bound to have repercussions on the balance of payments positions of other countries.

Under-developed Countries: Need for International Action

Referring to the gap between production in industrialized and under-developed countries, the *World Economic Report* says:

'Indications are that the technical obstacles to expanded production in the industrialized countries which had been feared in 1950 were rapidly overcome in 1951 and are of diminishing concern in 1952. There is, indeed, evidence of available capacities in these countries not only in light industry but in certain branches of durable goods production as well. Supplies of capital goods available for export in 1952 from the industrialized countries are not likely, even under current conditions, to be smaller, and in some cases may well be larger, than in 1951. Of course, should any easing of political tensions in the world bring about any reduction in armament expenditures, the opportunities for raising living standards in both developed and under-developed countries would correspondingly improve.

'These facts lend new emphasis to the present need for some kind of international action designed to bring about an adequate international flow of capital to the under-developed countries, to elaborate new techniques for stabilizing the demand for and prices of primary commodities traded internationally, or to introduce other arrangements that would, under mutually acceptable conditions, enable the industrialized countries to increase the supply of machinery and equipment to the under-developed countries so as to enable them to develop their abundant natural resources as well as to meet the demands of their trading partners.'

Indices of Industrial and Raw Material Production

The report on *Recent Changes in Production* contains two tables—reproduced below—showing the trend in mining and manufacturing production and in raw materials production.

TABLE I
INDICES OF MINING AND MANUFACTURING PRODUCTION
IN SELECTED COUNTRIES, 1948 TO 1951

Country	1937 = 100			
	1948	1949	1950	1951
Austria	90	121	144	162
Belgium	96	96	98	113
Denmark	129	138	153	154
Finland	137	146	149	176
France	100	110	111	125
Saar	73	90	96	116
Germany:				
Western	51	78	100	121
West Berlin	28	19	31	39(a)
Greece	72	85	108	125
Irish Republic	128	146	162	167(a)
Italy	92	100	114	128
Luxembourg	100	95	100	122
Netherlands	110	123	135	141
Norway	125	132	141	148
Portugal	118	112	122	116
Spain	100	96	104	..
Sweden	150	156	161	167
United Kingdom	110	118	130	133
Bulgaria	190	247	304	356
Czechoslovakia	109	126	146	167
Germany, Eastern	65	77	97	..
Hungary	107	153	207	..
Poland	146	177	232	288
Roumania	83	117	160	..
USSR	171	204	251	291
Canada	169	171	184	195
United States	170	156	177	195
Argentina	178	171	176	173(a)
Chile	143	140	136	148(a)
Guatemala	110	114	116	113(a)
Mexico	128	137	153	161(a)
India	114	111	110	122
Japan	40	53	66	92

(a) First half of 1951 only.

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TABLE II
WORLD PRODUCTION OF SELECTED RAW MATERIALS

Thousands of metric tons

Commodity	Annual Production				
	1937	War peak	1948	1949	1950
METALS:					
Copper ore	2,190	2,550	2,100	2,000	2,250
Copper, primary	2,230	2,620	2,120	2,070	2,290
Zinc ore	1,755	2,100	1,625	1,675	1,850
Zinc, primary	1,550	1,760	1,610	1,730	1,860
Lead ore	1,635	1,700	1,300	1,400	1,500
Lead, primary	1,610	1,650	1,300	1,460	1,600
Tin in concentrates	210	250	154	164	170
Tin	205	230	160	171	175
Bauxite	3,700	13,100	7,500	7,700	7,500
Aluminium	450	1,880	1,120	1,130	1,300
Antimony ore	42	50	41	35	38
Cadmium (metal)	2,979	4,589	4,282	4,539	5,015
Chrome ore (Cr ₂ O ₃)	489	600	670	730	800
Cobalt tons	3,200	4,700	6,100	5,900	7,100
Manganese ore	1,510	1,375	1,095	1,420	1,509
Molybdenum ore	15	31	13	11	14
Nickel ore	112	152	123	121	119
Tungsten ore (WO ₃)	12	30	11	9	10
OTHER MINERALS AND CHEMICALS:					
Pyrites	4,215	3,500	3,400	3,850	4,200
Sulphur, native	3,425	4,000	5,250	5,150	5,670
Sulphuric acid (100%)	14,600	15,500	20,100	21,200	23,600
Nitrogen	2,549	..	3,311	3,605	3,966
Phosphoric acid (P ₂ O ₅)	3,411	..	5,130	5,455	5,634
Potash	2,800	..	3,257	3,835	4,312
RUBBER:					
Natural	1,226	1,623	1,549	1,514	1,885
Synthetic	3	915	541	447	543
FIBRES:					
Cotton	6,432	..	6,320	6,845	6,001
Rayon	827	..	113	1,225	1,585
Wool (clean basis)	934	..	976	997	1,036
Hemp	250	..	250	260	200
Jute	1,880	..	1,390	1,420	1,560
Other hard fibres	534	..	500	480	530
FOREST PRODUCTS:					
Lumber	200,000	..	193,000	197,000	224,500
Newsprint	7,850	..	7,120	7,490	8,150
Wood-pulp	25,000	..	25,870	26,130	30,360

The Middle East

The effect on the Middle East of international economic trends following the Korean war has been limited, the raw materials whose prices have increased most in world markets forming only a minor part of the exports of Middle Eastern countries except for Egypt and the Sudan. Even so most countries have experienced an improvement in terms of trade which has contributed to a reduction of the foreign trade deficit. But overshadowing the repercussions of the international situation have been local problems, e.g., the plight of the Arab refugees; the absorption of immigrants in Israel; and the nationalization of the oil industry in Iran. Other points made by the *Summary of Recent Economic Developments in the Middle East* are:

1. Economic activity has continued to increase, industry progressing more than agriculture. Crude petroleum output rose from 71 million metric tons in 1949 to 89 million tons in 1950 and about 98 million tons in 1951 in spite of the setback following the closing down of the Persian fields. In 1950, the Middle East displaced the Caribbean as the largest exporter of crude petroleum.
2. National plans of economic development are being carried out throughout the region. For example, in Iraq a start was made with a five-year plan in the summer of 1951. This plan is being financed largely from oil revenues, and two flood control and irrigation projects are already in hand at Wadi Tharthar and Habbaniya. But the speed at which development plans are being carried out and future prospects differ greatly between countries. In Persia development activities have been severely curtailed by the cessation of oil revenues. More generally, the report says that development is slowed down by physical obstacles, and institutional and social factors such as the unequal distribution of incomes, lack of technical skills, inadequate health conditions and systems of land tenure.
3. Availability of capital varies. Israel and Turkey have benefited from capital imports under US Export-Import Bank loans and private loans issued on foreign markets, and Turkey has received aid under the European Recovery Programme. Oil producing countries—e.g., Iraq and Saudi Arabia—are in a good position for accelerating development following increased payments by concessionary companies. Sterling balances have been mobilized for development but they are nearly depleted for Israel and Jordan though they are still large for Egypt and the Sudan. For the Arab refugees some capital is being provided through the United Nations Relief and Works Agency.
4. Nearly all countries have benefited from the Technical Assistance Programme of the United Nations and the specialized agencies, and some have received help under the United States programme of technical co-operation.

Africa

The *Summary of Recent General Economic Developments in Africa* says that international assistance to Africa (excluding Egypt) and increased co-operation among governments dealing with African affairs have been noteworthy developments in the post-war world. It cites the technical assistance given by the United Nations to Libya, Ethiopia and Liberia, the loans granted by the International Bank for Reconstruction and

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Development to the Belgian Congo, Ethiopia, Southern Rhodesia and South Africa, and the organizations created by interested governments to deal with the problems they face in their territories [see R.1958 9.6.50 and R.1959 1.11.50 *International Colonial Co-operation*]. Mention is made of the increased rate of investment under the development plans of the African dependent territories [see 21.9.51 1b p.11].

The report also contains details on various aspects of the region's agriculture, industry and trade.

The following are some references to information in Reference Division papers and surveys on recent contributions by the United Kingdom to solving the problems of the under-developed territories which figure so largely in these United Nations reports.

RF.P.2174, February 1952 ..	<i>The United Kingdom Colonial Development and Welfare Acts.</i>
R.2067 and 2068 17.1.51 ..	<i>Industrial Development in the British Colonies.</i>
R.2018 4.9.50	<i>Britain and Development in S and SE Asia.</i>
R.2034 16.10.50	<i>The Colombo Plan for Co-operative Economic Development in S and SE Asia.</i>
RF.P.2391 6.5.52	<i>First Annual Report of the Colombo Plan; A Summary.</i>
R.2158 18.5.51	<i>Technical Assistance to S and SE Asia.</i>
R.2172 4.6.51	<i>UK Financial Aid to the Colonies 1920-50.</i>
RF.P.2222, August 1951 ..	<i>Britain and Middle East Development.</i>
R.2240 19.10.51	<i>The British Middle East Office.</i>

INTERNATIONAL SURVEY—

9.2.51 3f p.17	<i>Development in Iraq.</i>
6.4.51 3f p.35	<i>Expansion of Oil Production in Iraq.</i>
6.4.51 3f p.33	<i>Economic Progress in Kuwait.</i>
20.4.51 3f p.33	<i>Anglo-Iranian Oil Company.</i>
10.8.51 3f p.41	<i>Jordan Valley Development.</i>
10.8.51 3f p.37	<i>Middle East Development.</i>
24.8.51 3f p.29	<i>UK Contributions to UN Technical Assistance Activities</i>
19.10.51 3f p.57	<i>British Chemical Research—Contributions to Welfare in Under-developed Countries.</i>
16.11.51 3f p.57	<i>Development Projects in Iraq.</i>
14.12.51 3a p.43	<i>UK Gifts and Loans since 1945.</i>
24.1.52 2h(3)	<i>Aid for Arab Refugees.</i>

For items on development in the UK Dependencies, see Index to *Commonwealth Survey, Part II*.

Locust Invasions in the Middle East

International Co-operation in Control

Several countries in the Middle East and Africa have been invaded recently by swarms of the Desert Locust. The swarms have moved since the beginning of the year from their breeding areas in East Africa, and infestation has been spreading to large areas of Somaliland, Eritrea, the Sudan, Aden, Yemen, Saudi Arabia, Oman, Kuwait, Jordan, Egypt, Israel, Syria, Iraq, Persia and Pakistan [see map on p.41].

The rapid extension of the infestation, and the danger of a serious plague, have led to the organization of control measures by the established anti-locust organizations such as the Desert Locust Control, a British organization based on Nairobi. As the threat has increased, many countries have sent help to combat the plague, and an international campaign has been launched to which Britain is contributing supplies, vehicles and the services of skilled officers.

The Desert Locust is the species of locust which still causes grave anxiety. As a result of internationally co-ordinated information and control measures and intensive campaigns, effective control of outbreaks has been established in the case of two other species of locust, the African Migratory Locust and the Red Locust, responsible in the past for widespread invasion and devastation [see Reference Note R.1960 *International Co-operation Against the Locust*, July 1950].

The United Kingdom Government, which spends £1 million every year on locust control, and the African Colonial Governments, have, with other Governments, co-operated over a long period on campaigns against the Desert Locust also. The Governments of the East African High Commission territories agreed, in 1948, to establish, with the financial support of the United Kingdom, the Desert Locust Control Service with which other Governments in the area now co-operate. Before operations can begin it is necessary to have information on locust breeding and movement. For this purpose, it was agreed at a conference of British, French and Italian entomologists in Rome in 1931 that the Imperial Institute of Entomology in London should be adopted by the Governments concerned as the centre for anti-locust research.

Beginning of the Present Invasion

Swarms of the Desert Locust have been present in East Africa, the Middle East, Pakistan and India for about 2 to 3 years. They were not numerous nor large at first, but in 1951 it became necessary to organize very extensive anti-locust campaigns in Persia, India, Pakistan, Iran, Ethiopia and East Africa. Many swarms were killed, and by October 1951 the infestation was confined to Somaliland and the adjoining parts of Ethiopia and Kenya, where heavy breeding occurred during the latter part of 1951. The swarms laid eggs there, and the young locusts (hoppers) were hatched. The (British) Desert Locust Control in Kenya, Somaliland and Ethiopia, the Italian administration in Somalia, and the Ethiopian Government, with British help, did everything possible to kill the hopper bands. Many were destroyed but some escaped and became swarms. In the early part of 1952 these swarms began a northward migration and in January and February were moving over Ethiopia and southern Eritrea, crossing the Red Sea and the Gulf of Aden into and across Arabia. In February Iraq and Persia were invaded. In March and April the infestation spread to Jordan, Israel and Syria, and extended across southern

Iran to the borders of Afghanistan and Pakistan. The infested area in Persia is estimated to be about 1.4 million acres. It is more widespread in Arabia, extending from Jordan and Syria across the deserts to Kuwait and Oman.

Measures to Control the Invasions

This northward migration of swarms had not been expected to occur on such a vast scale. But the anti-locust forces were not unprepared and began to combat the danger in the early stages. A great advantage was that all information on locust breeding and movement is reported regularly to the Anti-Locust Research Centre, London, which plots it and issues information and warnings to the area concerned. Possible infestation of Arabia was foreseen, and officers of the Desert Locust Control in East Africa prepared to meet the danger by arranging to establish supply bases all over Arabia and distributing 2,600 tons of poisoned bait at strategic points.¹ When the invasion began, about 40 locust officers, with 170 motor vehicles and spraying and dusting equipment, went into action. British and Egyptian anti-locust teams, as in other years, worked together.

King Ibn Saud's administration has always helped these teams, as have India and Pakistan. On this occasion, the seriousness of the menace has been recognized by other Middle East countries also, which have joined in the extensive counter measures now being organized. The Governments of Iraq, Egypt, Syria, the Lebanon, Turkey and Jordan all sent technical officers to an urgent conference where plans were made for joint action. Iraqi and British experts, working in Arabia and Kuwait, have also conferred with American experts sent to help. Indian and Pakistani experts have conferred with Persian experts at Teheran. The Food and Agriculture Organization of the United Nations (FAO) has established a Technical Committee for co-ordinating the efforts of all countries into a single campaign; and it has allocated \$500,000 for the work. All these participants are carrying out a single intensive campaign and contributing supplies and technical help to meet emergency requests from specific areas (see below). In addition, Italy and the Soviet Union have sent help and supplies.

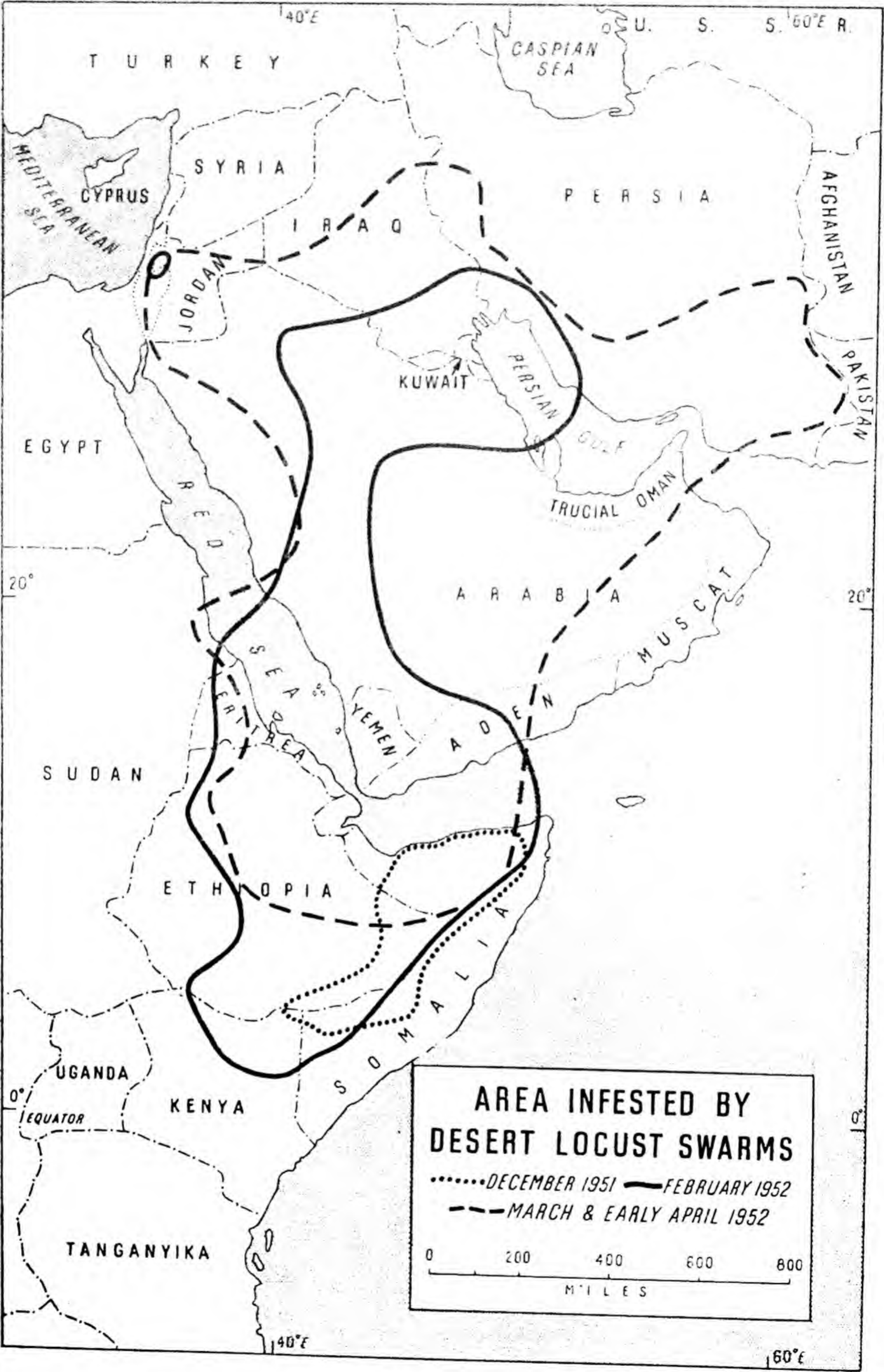
Jordan Emergency

Jordan, one of the most seriously infested countries, sent out an appeal for help on 26th April and immediate action was taken in response. The Entomological Adviser to the British Middle East Office went to Jordan to advise the Government, and the (UK) Royal Air Force brought insecticide and equipment by air. The Lebanon offered 20 tons of insecticide, Egypt 200 tons of bran, Syria 100 tons of bran, and Turkey 100 tons of bran and 5 tons of insecticide. On 1st May Jordan signed an agreement with FAO under which FAO, with the help of the Royal Air Force and at an approximate cost of \$10,000, sent 5 power-spraying units from the United Kingdom, and 2 tons of insecticide. Two United States spraying planes were also sent.

Serious Menace in Persia

Persia has also appealed for assistance from other countries to deal with the invasion there which menaces a very large area. An agreement for

¹Bait—wheat bran mixed with a special chemical—is scattered over the ground; locusts eat it and die within a few hours. Another method of locust control is to spray chemicals on hoppers and adult locusts from cars and aircraft.



technical help similar to that entered into by Jordan was made with FAO. The USSR has sent 10 spraying aircraft complete with crews, and is contributing 500 tons of bran and 50 tons of insecticide. Pakistan has sent 15 tons of insecticide and 100 tons of rice bran, 2 locust specialists and 4 jeeps. India has sent a locust specialist and is supplying 6 power-dusting machines and several tons of insecticide. The United States has sent 2 spraying aircraft and is contributing 9 tons of insecticide. [Help given to Persia in combating a serious locust menace in 1951 was described in 18.5.51 3(f) p.33].

The (US) Technical Co-operation Administration, which administers the Point Four technical aid programme, has allocated about the equivalent of £159,000 for the locust campaigns, and is making altogether 10 US planes available (in addition to 6 given to Persia last year).

Development in S and SE Asia

UK Support for ECAFE and Colombo Plan

In the House of Lords on 21st May, Lord Reading, UK Under-Secretary of State for Foreign Affairs, re-emphasized the determination of the UK Government to continue doing as much as possible towards ensuring the success of collective efforts to help forward development in South and South East Asia. He referred particularly to the work being done under the Economic Commission for Asia and the Far East (ECAFE) and the Colombo Plan.

The Need for External Help

Lord Reading first spoke of the need for urgent action. Something like a quarter of the world's population lived in the Colombo Plan countries, which were confronted by the task of raising their peoples' standard of living to a more adequate level. Population was increasing at the rate of 1 per cent a year, which in India alone meant that there were between 3 and 4 million extra mouths to feed each year. It might well be, therefore, that the first preoccupation of these countries would be limited to keeping pace with the population increase. Many of them—India, Pakistan, Ceylon, Burma, Indonesia and the Philippines—were also faced with constitutional, economic, social and administrative problems deriving from their recently acquired independence. In those circumstances it would be 'futile and unjust to expect them at the same time to cope with this colossal question of future development unaided by the countries of the West.'

To supplement the efforts made by these countries on their own behalf, external help could be directed along three main channels: the provision of finance, the supply of capital goods, and the furnishing of technical assistance.

ECAFE and the Colombo Plan

The Economic Commission for Asia and the Far East, and the Colombo Plan, said Lord Reading, were both concerned with supplying this help, and their approach was sufficiently different to prevent duplication. Moreover, the danger of overlapping had been further averted by the attendance of the Executive Secretary of ECAFE at the Karachi meeting of the Colombo Plan Consultative Committee in March [see *Commonwealth Survey* 9.4.52, 1c(6)]. Apart from differences in area covered and in membership, ECAFE was 'primarily concerned to demonstrate to the countries concerned how things can be done'. Therefore it devoted a lot of attention to surveys of, and working parties and conferences on, the main problems of common interest to the region as a whole such as flood control, transport, and the mobilization of internal capital, and produced an annual survey of the region. On the other hand, the Colombo Plan was primarily concerned with particular projects. 'It is not in any sense a master-plan prepared by the developed for imposition upon the under-developed countries. It is indeed, not in itself a plan at all but rather . . . an imaginative essay in co-operation, whereby the under-developed countries prepare their own six-year plans and the developed countries are thereafter at liberty to decide by bilateral arrangements which of the under-developed countries they are willing to help, and in what enterprise, and to what extent'. The great strength of both organizations, said Lord Reading,

was in 'the immense importance attached to them by the actual countries of the region in which they work and in the manifest determination of these countries to make these tasks a success.'

The UK Contribution

The United Kingdom takes an active part in the work of ECAFE [see 6.3.52 2c(6)]. On its part in the Colombo Plan, Lord Reading said that a considerable contribution had been made not only by agreeing to the release of sterling balances (£253 million over 6 years) but also by sales of capital equipment which had enabled progress to be made on a number of large-scale schemes in the area. In the past three years the United Kingdom had supplied nearly half South and South East Asia's imports of metals and engineering products. Of great importance also was the provision of technical assistance, and it was here, Lord Reading thought, that in these days of straitened financial circumstances, the United Kingdom could give the most direct and prompt assistance. The need was greater than ever for British engineers, administrators and teachers, who in the past had been 'found all over the world, and . . . are still almost everywhere'. The UK Government was aware of this need. Thus, in the Ministry of Labour there was special machinery, the Employment Service Department, for finding the experts required; the Technical Personnel Committee, whose task was to examine what could be done to increase the supply of technicians, had a sub-committee which concentrated its attention on overseas requirements; and the Government had agreed to release civil servants, if necessary on secondment, and it was hoped that industry and the academic world would follow this example.

It would be difficult in present circumstances for the United Kingdom Government to give 'any promise in regard to vastly increased funds for the future. At the same time, we have committed ourselves to the work in this area, not merely as a gesture but as a reality; and we do mean to concentrate great attention on it, to carry it forward and put as much zeal—and if zeal does not carry us far enough, as much material contribution as we can make available—towards producing its success'.

A summary of progress under the Colombo Plan will be found in RF.P. 2391 FIRST ANNUAL REPORT OF THE COLOMBO PLAN: A SUMMARY, and COMMON-WEALTH SURVEY 9.5.52 1c(8-11).

UK Firms' Withdrawal from China

New Form of Trade Machinery to be Considered

In a statement in the UK House of Commons on 20th May, Mr. Eden, Foreign Secretary, announced that as British firms in China were being faced, for reasons beyond their control, with ever increasing difficulties, they had decided to close down in China. It was not intended to stop general trade with China, but new trading machinery would be required.

The UK Government had taken up with the Chinese Government what were understood to be the trade proposals made at the Moscow Economic Conference (see 1.5.52 2e(22)) and had offered any facilities in its power to bring them to a result, but had received no answer to its communication.

British Traders' Difficulties in China

Referring to the difficulties which British firms in China had been facing for some time past, Mr. Eden said that many of the functions formerly handled in China by private merchants and industrialists were being taken over by organizations operating on a State basis. Other difficulties included the increasing restrictions on the entry and exit of foreign staff, arbitrary taxation demands and compulsion to retain and pay redundant labour, with the result that many firms had been operating at a loss for a considerable time. Consequently, most British companies had reluctantly come to the conclusion that they could no longer operate satisfactorily inside China, and that the time had come to arrange for the disposal of their businesses. Many had already decided to apply for closure, custody, transfer or lease of their various interests, according to circumstances.

'There are likely to be many problems involved', he went on, 'and, at the request of the [UK] China Association, acting on behalf of the firms concerned, HM Government have presented a Note to the Central People's Government of China requesting that all the necessary facilities be made available to ensure that these problems are dealt with expeditiously.'

Suggested New Machinery

'Both HM Government and the firms themselves remain convinced of the need and desirability for British trade with China to be continued. The suggestion has been conveyed to the Central People's Government that the requirements of this trade under the changed conditions in China might perhaps be met by setting up a new form of organization. The firms feel that this could take the form of an association of representatives of manufacturers and overseas buyers, who would maintain direct contact with the appropriate Chinese authorities. This body could, in fact, act as a permanent trade organization.'

Paying a tribute to the skill, tenacity and courage of the British community in the Far East, Mr. Eden remarked that during the course of their long and honourable connection with China they had contributed greatly to the prosperity of both countries. The value of the immovable assets in China belonging to British sources was, he added, about £200 million to £250 million.

BRITAIN'S TRADING TRADITION WITH CHINA

The United Kingdom's trading tradition with China was established about 250 years ago when the East India Company began to bring Chinese

silks, cotton and tea into European markets. In the early nineteenth century British merchant houses or 'hongs' set up trading agencies in the principal Chinese cities and subsequently developed banking and insurance services and initiated the construction of textile mills, wharves and ware-houses. Hongkong, which was acquired in 1842, has been, since the latter part of the nineteenth century, a clearing house for the China trade and a port of call for the great shipping lines.

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UN Disarmament Commission

Western Proposals Attacked by Soviet Union

At a meeting of the UN Disarmament Commission on 10th June, M. Malik, the Soviet representative, attacked the proposals for reducing armed forces, put forward by the United Kingdom, France and the United States on 28th May, which would have had the effect of reducing to between 1,000,000 and 1,500,000 the armed forces of the United States, the USSR and China, and to between 700,000 and 800,000 those of France and Britain [see 29.5.52 1d(10)]. The Western plan, M. Malik said according to Press reports, artificially and arbitrarily separated the problem of armed forces from the questions of armaments and prohibition of atomic weapons. It was a scheme to 'legalize' a continued armaments race under the mask of a reduction of forces. He objected that the plan did not provide for abolition of military bases on foreign territory of which, he alleged, the United States had more than 400. The Soviet proposals for a one-third reduction in the armaments and armed forces of the five great Powers, he said, was a practicable scheme, and if such a reduction were agreed upon simultaneously with a decision to prohibit atomic weapons with accompanying control¹, 'then the Soviet delegation does not foresee difficulties in the way of agreement on the concrete indices of such reduction of armaments and armed forces'. In a later statement, M. Malik said that he would wait for the Western proposals on the other two elements of a disarmament programme—armaments and weapons of mass destruction—before discussing the proposals for limitation of armed forces.

US Statement

Mr. Cohen (United States) said that nothing had been so discouraging to the cause of disarmament as M. Malik's statement, which was not a criticism of the Western plan but a mischievous distortion. Readers of the Communist press would never know now what the Western plan really said. Limitation of numbers of armed forces, provided for in the Western proposals, he said, was only part of a comprehensive disarmament scheme, and the Soviet attack was based on the fiction that the West wanted to do nothing beyond fixing maxima for armed forces. 'The Soviet Government talks of reduction in the armed forces and in armaments, of the prohibition of atomic weapons, and even suggests its willingness to accept international control. It has at times raised our hopes, but when we put concrete questions to the Soviet representative, the Soviet representative has refused to answer our questions concerning that control. . . .' The Soviet representative, Mr. Cohen added, would not discuss either the Western principles or proposals.

UK Statement

Sir Gladwyn Jebb (UK) said that M. Malik seemed upset because the Western proposals went further than his own. The Western plan envisaged reductions that would have to be worked out in detail with the Soviet

¹Throughout the discussions in the Commission the Soviet representative has been unwilling to explain what the Soviet Union envisaged as an alternative to the Western plan for controlling atomic energy until the Western Powers first agree to ban the atom bomb, and Western spokesmen have pointed out, as did Mr. Coulson (UK), that it appeared that they were being asked to accept at least certain moral obligations without knowing whether the Soviet Union was really thinking along the same lines about the safeguards which it was prepared to accept.

Union, which would be free to object to any detailed scheme. Did M. Malik's concluding remark, he asked, mean that in certain circumstances the Soviet Union would be willing to discuss maxima for its own forces? If so there would be at least some chance of advance. Sir Gladwyn Jebb contrasted Soviet words with Kremlin actions. Rigid orders from Moscow apparently prevented M. Malik from establishing a basis for negotiation, he said. Regarding the matter of bases on foreign territory, Sir Gladwyn said: 'What are we to think of the Soviet Union who immediately after the war proceeded to occupy, in great force, a number of countries in Eastern Europe and maintained large garrisons long after we others demobilized? What are we to think of the appointment of a Soviet Marshal actually to command and organize the forces of a theoretically independent State? . . . sometimes one comes to the conclusion that the Soviet Union makes no distinction at all between its own frontiers and the frontiers of those States forcibly associated with it.' If the Soviet Union were willing to withdraw its forces within the Soviet frontiers there would be some hope not only of disarmament but of peace.

Western Answer to Soviet Questions

At an earlier meeting of the Commission, on 3rd June, Sir Gladwyn Jebb had answered certain questions on the Western proposals, put by M. Malik, who had asked: (1) whether the proposals provided for a 'decision' being taken on the establishment of ceilings for armed forces simultaneously with a decision on the reduction of armaments and the prohibition of the atomic weapon; and (2) whether 'China' meant the People's Republic of China.

As regards the first question, Sir Gladwyn said, it appeared that M. Malik was asking whether the Western Powers accepted the often-repeated Soviet thesis that there should first be a 'decision'—whatever that might mean—and that only then should they try to work out and agree on what they were supposed to have decided. That was a view which could not be accepted. The Western Powers hoped sincerely that agreement would be reached on all the aspects of disarmament and that the Commission would then be able to take a 'decision', namely to recommend to the proposed international conference a draft treaty or treaties. The conference in its turn would be able to take a comprehensive decision on the treaty or treaties. If M. Malik meant that there ought to be an immediate decision in principle, then the answer was that this decision had been taken by the General Assembly as long ago as 1946¹.

'China' was meant by the three Powers in their proposals to indicate the country and not the Government. The proposed ceiling would apply to all Chinese armed forces in China. It would be premature to consider what countries or authorities not represented on the Commission should be consulted at a later stage. This need not preclude consideration of the latest tripartite proposals any more than it had precluded the Soviet proposals.

¹The General Assembly resolution of 24th January 1946 setting up the Atomic Energy Commission laid down that the Commission 'shall make specific proposals for . . . control of atomic energy to ensure its use only for peaceful purposes'.

A brief historical survey of the post-war international discussions on disarmament will be found in 29.5.52 1d(11).

ERRATA

In the item on disarmament in the issue of 29.5.52 1d(11), last para, line 2, the word 'formation' should read 'formulation'. In footnote 1, line 3, on the same page, the date should read '27th July 1951'.

North Atlantic Treaty Organization

Admiral Edelsten Appointed to Channel Command

The North Atlantic Treaty Organization announced on 6th June that Admiral Sir John Edelsten, RN, would succeed Admiral of the Fleet Sir Arthur Power as Allied Commander-in-Chief, Channel, in September of this year. The decision to establish a NATO Channel Command, with Sir Arthur Power as first Commander-in-Chief, Channel, was announced on 21st February [see 21.2.52 If(24)].

Admiral Sir John Edelsten was Commander-in-Chief, UK Mediterranean Fleet, from 1950 until May 1952, when it was announced that in September he would succeed Admiral of the Fleet Sir Arthur Power as C-in-C, Portsmouth. Sir John Edelsten had previously served as Deputy Chief and Vice-Chief of the Naval Staff. During the war of 1939-45, he served as Chief of Staff to the C-in-C Mediterranean, and as Assistant Chief of the Naval Staff (U-boats and Trade) from 1942 to 1945.

Joint Mediterranean Exercise Beehive II

An allied naval and air exercise, called *Beehive II* [*Beehive I* took place in August 1951, see 24.8.51 1c p.11], was held in the central Mediterranean from 11th June to 14th June. A total of 80 United Kingdom, United States, French, Italian and Greek ships took part, and Admiral Lord Mountbatten, Commander-in-Chief UK Mediterranean Fleet, directed the exercise from Malta on behalf of the other Commanders-in-Chief concerned. UK, US and Greek submarines and more than 100 UK, US and French aircraft also took part in the exercise, which was designed to give tactical training and further experience of operating jointly to all the participating allied forces.

The Blue Force, under the Commander of the US Sixth Fleet, carried out attacks on Red Force, under the UK Commander-in-Chief, Mediterranean, which was passing convoys through the Mediterranean narrows and across the Mediterranean from the North African coast. To secure the passage of the Sicilian narrows for his fleet, the Blue Force Commander made an amphibious assault landing on Malta, in which a US Marine force and US naval aircraft took part. This attack was opposed by the Malta garrison and by aircraft and ships of the 'Red Force' defending the island.

Combined Exercise off The Netherlands

From 4th to 7th June, United Kingdom, Belgian and Netherlands forces took part in a combined exercise of sea, land and air forces in the northern part of the Netherlands and adjoining waters. The exercise was conducted by Rear-Admiral C. W. Slot, Commander of the Home Station, Royal Netherlands Navy. The UK contribution included two destroyers, a navigational training ship, a number of small craft, and sections of the Royal Marines.

Joint Exercises off Bermuda

United Kingdom, Canadian and United States forces combined on 28th-29th May in anti-submarine exercises off Bermuda. UK ships taking part were a frigate, HMS *Sparrow*, and HM Submarine *Alcide*.

The Canadian minesweeper, HMCS *Wallaceburg*, and US naval aircraft, were the other participating forces.

UK Military Aid to Greece

Work of the RAF Mission 1945-52

It has been announced by the UK Air Ministry that, during the period from 1945-52 when the British military and air missions were engaged in building up and training the Greek armed forces [see 3.4.52 lf(50)], Britain released £6,500,000 of equipment to the Royal Hellenic Air Force (RHAF), including 84 Spitfires, 12 Dakotas, 16 Harvards, 12 Tiger Moths and large stocks of aircraft spares, radio equipment and clothing.

In the course of the air mission's work, specialist RAF officers trained Greek Air Force officers and men in flying and related technical subjects such as engineering, signals, armament, equipment and methods of organization, both in Greece and at RAF schools in the United Kingdom. The mission provided a wing commander as air advisor to the Greek Defence College at Salonika.

The task of the RAF Mission in creating virtually a new air force was complicated by internal strife in Greece, but the training of flying and ground crews and the supply of aircraft and equipment went ahead.

By early 1947 economic difficulties had made it impossible for Britain to continue to carry the burden of providing equipment and supplies for the Greek Army, Navy and Air Force which was thereafter taken over by the United States. With the arrival of its United States counterpart in 1947 the RAF Mission's duties were redefined. It advised the RHAF on organization, training, aircraft maintenance and equipment, while the US Mission advised on supply, works services and operations.

With the progress of the RHAF as a vigorous and responsible force, the RAF Mission progressively reduced its staff, which at peak numbered 250, and its work ended on 30th April [see 1.5.52 lf(64)].

Guided Missile Range

UK-Dominican Agreement

In an exchange of Notes on 26th November 1951, the United Kingdom and Dominican Governments agreed that the terms of the United States-Dominican agreement of 26th November 1951, providing for an extension of the long-range proving ground for guided missiles in the Caribbean area, should be extended to the United Kingdom. The UK Government has recently issued a White Paper—Cmd. 8546—giving the texts of the Notes exchanged by the UK and Dominican Governments and of the US-Dominican agreement.

TUC STATEMENT ON DEFENCE

A verbatim report of a UK Trades Union Congress statement recognising the need for rearmament and supporting both the UK rearmament programme and the steps taken to consolidate Western defence will be found in HOME AFFAIRS SURVEY 10.6.52 2a.

The West and Germany

Mr. Eden's Statement in Parliament

Mr. Eden, UK Foreign Secretary, made a short statement in the House of Commons on 10th June on the contractual agreements with the German Federal Republic and the EDC treaty and related agreements, signed in Bonn and Paris respectively on 26th and 27th May [see 29.5.52 1g(27) and 1f(68), and for general background R.2369 of 8.4.52—*The West and Germany*].

After summing up the nature and scope of the agreements, Mr. Eden concluded: 'All the agreements and declarations which I have mentioned must be regarded as forming a single whole. Taken together they represent a very important further step towards the consolidation and unity of Europe. Ever since the formation of the German Federal Republic in 1949, it has been the declared policy of Her Majesty's Government and of the French and United States Governments to bring the Republic into the Western European community and at the same time gradually to relax the Occupation controls. The present agreements represent the culmination of that policy.'

'Though forced upon us by Soviet actions, our policy in Germany has never been directed against the Soviet Union. Nor are the present agreements. It is not our choice that co-operation in Europe ends on the Elbe. We shall miss no chance of extending it. But meanwhile we can best serve peace by lending our full support to all efforts to foster international unity wherever co-operation is possible.'

'That is our purpose in signing the present agreements. They are an achievement of which all the countries concerned may well be proud. They offer a new hope for the future. If ratified and brought into force, they will make possible an intimacy of partnership and collaboration among the ancient nations of Europe which they have long dreamed of but never in modern times attained.'

Three-Power Statement on Reparations

A UK White Paper, published on 10th June—*Supplementary Documents to the Conventions signed at Bonn* (Cmd. 8576)—gave the text of a statement on reparations agreed by the UK, US, and French Foreign Ministers on 24th May. The statement was as follows:

'The United States and United Kingdom Governments declare that they have not asserted and do not intend to assert any claim for reparations out of current production. They have consistently opposed, and intend to oppose, the exaction of such reparations by any other Power. The French Government takes note of the situation of fact and therefore associates itself with Article 1 of Chapter 6 of the Convention on the Settlement of Matters arising out of the War and the Occupation¹.

¹Para. I of this Article states: 'The problem of reparation shall be settled by the peace treaty between Germany and its former enemies or by earlier agreements concerning this matter. The three Powers undertake that they will at no time assert any claim for reparation against the current production of the Federal Republic.'

Council of Europe

Consultative Assembly Approves UK Proposals

The first part of the fourth session of the Consultative Assembly of the Council of Europe was held in Strasbourg from 26th to 30th May. At the beginning of the session, M. de Menthon (France) was elected President in succession to M. Spaak (Belgium), who had resigned shortly before the end of the third session in December 1951 [see 10.1.52 lg(8)]. The Assembly approved, by an overwhelming majority, the UK proposals that organic liaison should be established between the Council of Europe and the restricted Communities—the European Coal and Steel Community and the European Defence Community (EDC). The Committee of Ministers had approved these proposals in principle and referred them to the Assembly for its opinion [see 20.3.52 lg(23) and 29.5.52 lg(32)]. In its principal debate, the Assembly discussed the UK proposals together with related questions such as EDC, the creation of a European political authority, and the integration of the Council of Europe and the Organization for European Economic Co-operation (OEEC). The Assembly also discussed the third report from OEEC to the Council [see under 2d in this issue], and approved the text of two interim agreements on social security referred to it by the Committee of Ministers. [A list of the UK representatives at the Consultative Assembly was given in the issue of 15.5.52 lg(25); for general background see R.2396 of 8.5.52—*The United Kingdom and the Council of Europe*].

Mr. Anthony Nutting's Statement on UK Proposals

Mr. Nutting, UK Parliamentary Under-Secretary of State for Foreign Affairs, opened the debate on the UK proposals and the related questions. He referred to the steps already taken by the UK Government to establish close technical and diplomatic links with the Coal and Steel Community and EDC. The UK proposals would enable the United Kingdom to extend its association with these Communities to their parliamentary and ministerial institutions and would, at the same time, provide that the Council of Europe would be the general framework in which European countries could pursue, in their different ways, the ultimate aims of European unity. The United Kingdom would make 'a full and positive contribution' by giving and exchanging information, if invited to participate in the work of the Committee of Ministers and the Assembly in restricted session. The presence of observers from non-participating countries at such restricted sessions, to exchange information and to discuss questions relating to the work of the Communities affecting the interests of Western Europe as a whole, would promote a feeling of complete solidarity among all the member countries of the Council of Europe.

Resolutions Adopted by the Assembly

The Assembly adopted, by 99 votes to nil, with 11 abstentions, a resolution approving the UK proposals and proposing that the General Affairs Committee should study the question in detail and report back in September. Other resolutions recommended the fusion of OEEC with the Council of Europe, and that a European political community should be set up within the framework of the Council of Europe by the six member States of EDC and the Coal and Steel Community. An amendment, proposed by M. Spaak (Belgium) which would have completely dissociated the Council of Europe from preparatory work for a European political authority, was rejected by 47 votes to 42.

Korea

Political Developments in the Republic of Korea

On 11th June, Mr. Eden, UK Secretary of State for Foreign Affairs, in reply to questions, made a statement to the House of Commons on recent political developments in southern Korea.

Mr. Eden said that on 24th May the President of the Republic of Korea, Dr. Syngman Rhee, proclaimed martial law in Pusan (the provisional capital) on the pretext of increased guerilla activities near the city. In April this year, responsibility for dealing with guerilla activities in certain areas had been transferred from the military authorities to the South Korean Government. However, Mr. Eden stated, from the available evidence he was satisfied that these guerilla activities did not warrant the declaration of martial law within the city of Pusan.

At the same time nine members of the National Assembly of the Republic were arrested, some on a charge of having trafficked in Communist funds; others for voting in favour of the release of a member of the National Assembly, So Min-Ho, who had been arrested on a charge of murdering a South Korean army officer. Disturbances which followed his release had been made a subsidiary reason for imposing martial law.

On 28th May the National Assembly voted for the lifting of martial law. 'In refusing to heed this vote', Mr. Eden declared, 'the President is, we consider, acting unconstitutionally.' On the same day the UN Commission for the Unification and Rehabilitation of Korea (UNCURK)—on which neither the UK nor the US Governments are represented [see 16.11.51 2d p.19]—addressed a letter to President Rhee urging the lifting of martial law in Pusan and the release of the arrested members of the Assembly, without prejudice to their possible subsequent prosecution, in accordance with constitutional principles, for any infringements of the law which they might have committed. UNCURK also again offered their good offices to the Korean authorities in furthering the progress of the Republic of Korea along democratic lines.

Similar messages had subsequently been sent to President Rhee by the President of the United States of America, Mr. Truman, the Australian Minister for External Affairs and the Secretary-General of the United Nations; while in a personal interview on 4th June the UK Chargé d'Affaires in Pusan, Mr. Adams, had informed President Rhee of the UK Government's concern at recent political developments in South Korea and had strongly urged him to abide by the constitution. Mr. Eden said that Mr. Adams had since been instructed to continue to point out to the Government of the Republic of Korea that any threat to the democratic character of that Republic from whatever quarter, would be a negation of the principles which members of the United Nations, with their forces in Korea, have been fighting to defend.

'The United Nations forces in Korea', Mr. Eden stated, 'entered the war to resist aggression and to uphold the principle of collective security. They have no wish to interfere in the affairs of a sovereign State established under United Nations auspices in 1948. Nevertheless, the danger of political instability and of disturbances on their lines of communication, and the effect which this might have on a large number of troops fighting at their side is a matter of deep concern to them.'

'Her Majesty's Government's sole concern is to see that democratic and constitutional principles are duly observed. The first prerequisite is a return to constitutional government by the lifting of martial law and the release of the arrested members of the Assembly. As a result of the joint representation to which I have referred, I hope that this will soon be done.'

Background to Recent Developments

After the surrender of the Japanese forces in Korea in August 1945, a partially elected Interim Legislative Assembly came into being in Korea south of the 38th Parallel in November 1945, but the area continued to remain under US military occupation. On 14th November 1947 the UN General Assembly adopted a resolution recommending that elections should be held in North and South Korea under the supervision of a UN Temporary Commission with a view to the establishment of a National Government of Korea. The UN Temporary Commission was prevented by the Soviet Government (then in military occupation of Korea north of the 38th Parallel) from functioning in North Korea. In South Korea elections were held on 10th May 1948 under the supervision of the Commission, which described the results of the election as 'a valid expression of the free will of the electorate in those parts of Korea which were accessible to the Commission. . . .' On 31st May the National Assembly thus elected met and prepared a constitution which was adopted on 12th July 1948. Dr. Syngman Rhee was elected by the National Assembly for a term of four years, in accordance with this constitution, as President of the Democratic Republic of Korea. With the establishment of the new Republic, the US military administration came to an end.

In May 1950 elections were held for a new National Assembly, again under the supervision of a UN Commission. In this new Assembly 130 seats were won by Independents, 49 by parties supporting Dr. Syngman Rhee, and 44 by other parties. On 25th June 1950 North Korean forces invaded the Republic of Korea, and the United Nations intervened in support of the Republic.

On 7th October 1950, the UN General Assembly adopted a resolution which *inter alia*: recalled that the 'essential objective' of previous UN resolutions 'was the establishment of a unified, independent and democratic Government of Korea'; established a new UN Commission (UNCURK) to represent the United Nations in bringing about those objectives; and recommended that 'all constituent acts be taken, including the holding of elections, under the auspices of the United Nations, for the establishment of a unified, independent and democratic Government' in Korea.

New elections for the office of President of the Republic of Korea are due to be held on 25th June. Dr. Rhee, considering that the constitution of 1948 requires amendment, has proposed that the President should be elected by popular vote; the National Assembly, on the other hand, has proposed by the amendment of the constitution so as to reduce the powers of the President.

Regrouping of Prisoners of War on Koje Island

Mr. Eden made a statement to the House of Commons on 11th June on recent operations to regroup Chinese and North Korean prisoners of war on Koje Island.

He said that measures were now being taken to divide the 37 existing compounds in which prisoners of war had been confined hitherto, and to

separate the prisoners into smaller groups which 'should help to prevent further violence by fanatical Communists against their fellow prisoners'. New compounds and enclosures were now being built and a substantial number of prisoners had now been transferred to the mainland. Mr. Eden said that according to the best estimate available 115 anti-Communist prisoners had been killed by Communist fellow-prisoners in the Kojé Island camps since July 1951. It was possible that additional killings might have occurred which had been carefully concealed and about which the UN Command had no knowledge.

PREVIOUS DEVELOPMENTS

Approximately 132,000 prisoners of war have been confined in camps on Kojé Island. In certain compounds where fanatical Communist prisoners of war had dominated their fellow prisoners riots occurred earlier this year [see 20.3.52 lh(44)], and on 7th May the Commander of the UN prison camps on Kojé Island was seized by Communist prisoners of war and held for several days. Subsequently, large bodies of Communist prisoners defied legitimate orders given by the UN camp authorities and used force in resisting measures to restore order. On 25th May UK and Canadian battalions were sent to Kojé Island to assist other UN troops in restoring UN control over the Communist elements in the prison camps by redistributing the prisoners into new and much smaller compounds.

A background to the Korean question since 1945, together with a summary of developments in the establishment of the Republic of Korea and in the action taken on Korea by the United Nations since June 1950 (including the armistice negotiations), will be found in Reference Note R.2417 of 1.6.52 'Korea and the United Nations' 1945-52'.

UK Note to China

Hong Kong Government's Action to Maintain Order

On 26th May the UK Chargé d'Affaires in Peking presented a Note from the UK Government addressed to the Chinese People's Government. The UK Note, referring to recent events in Hong Kong which had formed the subject of allegations made by the Chinese People's Government (on 10th May), rejected as 'completely without foundation' the Chinese Government's 'contention that the action of the Government of Hong Kong in any of the incidents mentioned can be interpreted as persecution of Chinese residents of Hong Kong or infringement of the freedom and rights of law-abiding citizens of the Colony. The Government of Hong Kong has carried out and will continue to carry out its duty of safeguarding law and order and protecting the residents of Hong Kong'.

'Her Majesty's Government', the Note concluded, 'regret that the Central People's Government should have been thus misinformed and have accepted irresponsible calumnies as the basis for an official communication in such violent and deplorable terms.'

The UK Note gave a factual account of a number of incidents which the Chinese People's Government had described as 'atrocities'. These included a small but organized outbreak of mob violence on 1st March 1952 on the occasion of the postponement of the visit of a Chinese self-styled 'comfort mission' from Canton when the Hong Kong police showed great restraint in the face of provocation. Three persons, one

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of whom subsequently died of shock, were wounded by a single shot fired by a police corporal who was being over-run by the mob. The Chinese protest of 10th May had also alleged that the Hong Kong Government connived at sabotage activities on Chinese territory; the Hong Kong Government, the UK Note stated, were in no way responsible for any disturbances in China near the border and in fact maintained a very strict control in regard to all illegal activities near the border. Reference was also made to the conviction and fining of the publisher, proprietor and editor of the newspaper *Ta Kung Pao* and the suspension of that paper for six months, after a fair and open trial, for publishing misleading accounts of the incidents of 1st March and 'inflammatory material which was clearly designed to provoke further disorders and endanger the peace and safety of law-abiding people in Hong Kong'. The fact, the UK Note pointed out, 'that the newspaper in question was permitted to resume publication pending an appeal testifies to the impartial administration of the law in Hong Kong'.

The Note also referred to the Chinese allegations that the Hong Kong Government had deported a number of Chinese and were continuing 'the arrest and deportation of the Chinese workers, peasants, trade union and cultural workers and other innocent and patriotic citizens'. These deportations, the UK Note stated, had been carried out under specific laws for the preservation of law and order and the security of law-abiding citizens.

In reply to a question in the UK House of Commons on 28th May, Mr. Hopkinson, Minister of State for Colonial Affairs, stated that 792 Chinese aliens had been deported from Hong Kong (under the Deportation of Aliens Ordinance) between 1st January and 2nd May 1952. Of these, 709 were persons convicted of criminal offences by the Courts, 40 (including 24 trades union officials and members, and 10 persons making propaganda films) were engaged in subversive activities, 6 were members of a gang arranging illegal passports, 5 were selling indecent photographs, 7 were engaged in espionage on behalf of a foreign power and 25 were persons known to be guilty of murder, smuggling, robbery, soliciting and other crimes.

European Payments Union

At a meeting of the OEEC Council of Ministers on 6th-7th June, agreement was reached on certain measures, including arms shipments to Belgium from Britain and France, which would settle the Belgian surplus with EPU, and on other steps to strengthen EPU generally.

Explaining these arrangements in a statement in the UK House of Commons on 12th June, Mr. R. A. Butler, Chancellor of the Exchequer, said that the difficulties which confronted the Union arose firstly from the inadequacy of the Union's convertible assets to sustain its normal operations and secondly from the creditor position of Belgium in the Union. It was, he stressed, most desirable to avoid a collapse of the Union. In accepting the election of Mr. Eden, UK Foreign Secretary, to the chairmanship of OEEC [see p.14] the British Government had indicated its abiding interest in Europe's economic problems.

Measures to Strengthen the EPU Reserves

Outlining the decisions which had been taken in Paris to strengthen the European Payments Union, the Chancellor said that, to ease the Union's difficulties, it was decided to alter the scale of gold payments by debtor countries so as to increase the proportion of gold payable in the earlier stages of their quotas. The over-all proportions of gold and credit in the quota remained unchanged.

It was also decided to establish a guarantee fund of \$100 million to which all members would contribute in proportion to their quotas if the level of the Union's convertible assets were to fall at any time below \$100 million. These would be temporary loans, repayable as soon as the assets rose again above \$100 million.

Measures to Settle the Problem of the Belgian Surplus

'In the Belgian case,' continued Mr. Butler, 'the problem was, first, to arrange for the funding and repayment of the credits outstanding in excess of the Belgian quota, and, secondly, to determine the method of settlement of Belgian surpluses for the future. Arrangements have been made to deal with \$180 million of the outstanding credits. Part will be paid off at once; part will be funded over five years, and unless Belgium can arrange for the immediate mobilization of the amount involved the whole settlement will come under review again. Part will be turned into bilateral obligations by the United Kingdom and France towards Belgium and paid off by deliveries of defence items over two years. Our share of this last part will be \$25-30 million.

'Finally, these arrangements for settling Belgium's outstanding credits were conditional on Belgium agreeing that her surpluses for 1952-53 should be settled up to a total of \$250 million on the basis of 50 per cent credit and 50 per cent gold. This is a very important point, because it means that Belgian surpluses will be dealt with on the same basis as the surpluses of other creditor countries. This has made it possible for the Union to deal with the outstanding credits without undue strain on its convertible assets.

'In the view of HM Government the arrangements agreed by the Council, which must of course be taken as a whole, represent a satisfactory settlement. The solvency of the Union has been assured, and the prob-

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lems arising out of Belgium's creditor position have been resolved with good will and a spirit of compromise on both sides.'

Effect of the Arrangements on the United Kingdom

Defining the impact of the new arrangements on the United Kingdom, Mr. Butler said:

'First, the alteration of the gold scales will not affect us immediately, since we have already exhausted our quota and are paying 100 per cent gold for our deficits. But it does mean that when we move back into surplus we shall recover the gold we have paid inside our quota at a slower rate. On the other hand, if the Union had not been made solvent, our ability to recover the gold at all would have been impaired.

'Secondly, we shall have to meet our share of about \$27 million, in the guarantee fund; this will require legislation.

'Thirdly, although we assume a bilateral debt to Belgium of \$25-30 million, we are given immediate credit in the Union; this means in effect that we are getting payment in gold in advance for defence items to be delivered over two years.'

UK Position in the May Operations of EPU

The EPU settlement for the month of May 1952 disclosed a United Kingdom net deficit for the month of £17.7 million (49.4 million units of account, each equivalent in value to the US dollar). The United Kingdom's total cumulative accounting deficit was now £391.5 million.

The deficit for May was settled by a gold payment by the United Kingdom to the Union of £16.7 million, making a total gold payment to date of £164.4 million, and by granting of credit to the United Kingdom of nearly £1 million. This completed the credit available to the United Kingdom under the terms of the EPU Agreement, and the United Kingdom now stood as a debtor in the books of the Union for £227.1 million (636 million units of account). Future deficits with the Union would have to be satisfied wholly in gold.

For a general account of the method of working of EPU see Reference Division Note No. R.2352 of 11.3.52 'The European Payments Union'.

Election of Officers in OEEC

UK Foreign Secretary to Become Chairman

On 6th June the Council of OEEC invited the United Kingdom to take over the chairmanship of the organization as from 1st July, when the existing chairman, Dr. Stikker, Netherlands Foreign Minister, would be retiring. This invitation was accepted by the UK Government, which announced that it would nominate Mr. Eden, UK Foreign Secretary, to fill the post. Mr. Butler, UK Chancellor of the Exchequer, would deputize for Mr. Eden when necessary.

The Council also appointed Signor Cattani, head of the Italian delegation to OEEC, as chairman of the executive committee in succession to Sir Edmund Hall-Patch, the head of the UK delegation. Sir Edmund, who had filled the post of chairman since OEEC was first set up in 1948, is now resigning to take up his post as UK representative on the International Monetary Fund and the International Bank for Reconstruction and Development. His successor as chief of the UK delegation to OEEC will be Mr. Ellis-Rees, at present the deputy chief.

Development of Overseas Territories

International Co-operation through OEEC

An account of the part played by OEEC in facilitating international co-operation in the development of overseas territories of member countries is contained in a survey, the third of a series, prepared by OEEC for the Council of Europe and released in Paris on 14th May. The survey also gives an outline of the activities of OEEC generally, against the background of developments in the West European economic situation up to the first quarter of 1952.

Objective of Economic Policy in Overseas Territories

The survey recalls that the continuing objective of economic policy in the overseas territories must be to develop them as rapidly as possible in the interests of the local peoples, and as a basis for their social progress as well as for the economic expansion of Europe.

'Sound economic development', it points out, 'whether in the overseas territories or elsewhere, is bound to bring benefit to all who share in that development. The overseas territories must depend upon the rest of the world and in particular upon Europe for the provision of most of the finance, skill and capital equipment required for their social and economic development, as well as for markets for a large part of their exports of foodstuffs and primary raw materials. Thus it is reasonable to expect that in return for the benefits which they will derive from the European Recovery and European Expansion Programmes¹, the overseas territories should contribute to their success to the extent that their economic and social structure permits. Unless Europe succeeds in re-establishing its economic equilibrium and unless it can achieve a high level of productivity, the progressive development of the overseas territories will be seriously retarded. The interests of Europe and those of the overseas territories are thus to a large extent complementary and not conflicting. By unifying their efforts through effective co-operation they can help each other to reconstruct their economies and increase their standards of living and thus promote the well-being and security of their peoples.'

International Co-operation through Other Organizations

This type of work, the survey continues, is 'neither the unique achievement nor the monopoly of OEEC'—the responsible governments have always been concerned with the development of the overseas territories, and development programmes were prepared before OEEC came into existence. Moreover, international co-operation in this work has been and is carried out through several organizations, such as the United Nations (Articles 11-13 of the Charter); UN specialized agencies (*e.g.* FAO, ILO, WHO) and regional commissions such as ECAFE; other bodies, including the Commission for Technical Co-operation in Africa, the Caribbean Commission, the International Materials Conference; and commodity study groups (*e.g.* the Rubber Study Group, the Tin Study Group and the International Sugar Council). Co-operation between European countries with responsibilities in Africa, and between African countries themselves, has also developed through a system of unilateral or

¹The 'European Expansion Programme' refers to the OEEC declaration of 29th August 1951 in which member Governments agreed that the broad objective of their policies during the period 1952/56 would be to expand total production in Western Europe by 25 per cent by comparison with 1951 [see 7.9.51 1b p.5].

bilateral conferences, some of which have led to the formation of information centres (soil, animal diseases and locust control, etc)¹.

The Part Played by OEEC

The formation of OEEC in 1948 made it possible, however, to increase the scope and efficiency of international co-operation by facilitating exchanges of information on development programmes and relating them to the general world situation.

Since 1949, when the Overseas Territories Committee of OEEC completed its survey of the main development projects for the overseas territories studies have been carried out on the following subjects:

- (1) general questions connected with the development of the territories *e.g.* investment in Africa south of the Sahara [see 21.9.51 1b p.11];
- (2) possibilities of increasing production and exports of dollar-saving and dollar-earning commodities, *e.g.* tropical timber, coarse grain, cotton and non-ferrous metals;
- (3) trade problems, *e.g.* liberalization measures, supplies of raw materials and markets for manufactured goods.

Technical Assistance Studies by OEEC

The work of the metropolitan countries in providing various kinds of technical assistance for the overseas territories has been assisted by surveys carried out within OEEC by groups of experts who study individual technical assistance problems, define any deficiencies which could be made good by American aid, and if necessary, submit recommendations to the US Mutual Security Agency. This procedure has been used for:

- (1) soil erosion and conservation in Africa south of the Sahara, in conjunction with the Inter-African Information Bureau on Soil Conservation and Utilization;
- (2) animal husbandry;
- (3) improvement of pasture and water supplies for cattle;
- (4) plant breeding;
- (5) mechanization of agriculture.

In conjunction with these studies technical assistance missions have been organized. These include:

- (1) a field study by an American expert, accompanied by mineralogists from the countries concerned, of the hardening of laterite soils in Africa;
- (2) a study in the United States by a group of tropical timber experts of problems connected with the production, logging, sawing, drying, processing and marketing of timber and of forestry in general.

Other problems studied include: manpower shortages and possibilities of migration; needs of the overseas territories for capital goods; and remedies for shortages of private investment in particular geographical areas.

¹See, *e.g.*, R.1959 of 9.6.50, *International Colonial Co-operation*, R.1960 of July, 1950, *International Co-operation Against the Locust*, and *Commonwealth Survey* 1.2.52 1k(3).

International Whaling Commission

The International Whaling Commission held its fourth meeting at the Royal Geographical Society in London from 3rd to 6th June. Subjects discussed included whale conservation, scientific research, amendments to the Schedule of the International Whaling Convention of 1946, whale marking and whale products. Decisions to organize whale marking were largely the result of reports from Australia, Canada, Japan, the Netherlands and Norway.

Origin and Functions

The Commission is a permanent executive body, established under the International Convention for the Regulation of Whaling, 1946. Without regulation there would be grave danger that all whales—and therefore the trade—would be exterminated, as, indeed, has already occurred to a large extent in northern waters. The Commission's main duty is to keep under review, and if necessary amend, the Schedule to the Convention. The Schedule provides, among other things, for the complete protection of certain whale species; and, for other species, open and closed seasons and areas; size limits below which whales may not be killed; the time, methods and intensity of whaling (including the maximum catch of baleen¹ whales but not of sperm whales²); the compilation of catch reports and other statistical and biological records.

Proposed amendments come into force only after some months allowed for acceptance or objections by governments, so that proceedings of meetings have to be kept secret meanwhile.

Membership

The following 17 nations are at present represented on the Commission: Australia, Brazil, Canada, Denmark, France, Iceland, Japan, Mexico, Netherlands, New Zealand, Norway, Panama, Sweden, Union of South Africa, Soviet Union, United Kingdom and United States of America. All member states except Mexico were represented at this year's meeting, which was attended also by observers from Argentina, Chile, Italy, Portugal, the Food and Agriculture Organization of the United Nations, the International Council for the Exploration of the Sea, and the Association of Whaling Companies.

PRODUCTION

The two main products of the whaling industry are whale oil and sperm oil.

Whale oil produced in the 1951-52 pelagic (*i.e.* open sea) whaling season, with seaborne factories, amounted to 2,328,869 barrels³. Adding the 144,812 barrels from the land stations the total was 2,473,681 barrels, 169,991 barrels more than in 1950-51. In the nineteen-thirties totals were practically always over 2,500,000 barrels and reached 3,670,000 on occasion. After the drop in figures caused by the war, totals have risen fairly steadily over six years from 1,945,000 to the 1951-52 figure above.

¹Toothless whales, from which is obtained whale oil, the edible whale product used, for example, in margarine.

²Toothed whales, whose oil, known as sperm oil, is used for industrial purposes only.

³6 barrels = 1 ton.

The highest total for sperm oil in the nineteen-thirties was 247,000 barrels. Over the last six years it has been much above this figure, reaching 427,000 barrels for 1950-51.

The Commission has not altered the present limit on pelagic whaling of baleen whales in the Antarctic, which is 16,000 blue whale units. A blue whale unit equals: (a) 1 blue whale (b) 2 fin whales (c) 2½ humpback whales or (d) 6 sei whales. These do not include sperm whales.

UK CONTRIBUTIONS TO HUMANE SLAUGHTER

The most commonly used method of slaughtering whales is that of the bomb-harpoon. This may kill outright, but usually takes ten or twenty minutes and sometimes longer, involving much suffering. It was developed by the Norwegian Svend Foyn between 1864 and 1873, and made the modern whaling industry possible.

The electric harpoon was first developed 100 years ago in Germany, but for long made little headway. By 1938 the electric harpoon is said to have accounted for about 2,000 whales during 6 expeditions north and south. With a good hit, it proved a merciful method of killing, death ensuing between ten seconds and two minutes afterwards. Moreover, electrocuted whales were found usually to float.

UK Influence in Revival of Electric Whaling

The main reviving impetus in electric whaling since 1938 has come from the United Kingdom. Dr. H. R. Lillie, a surgeon who returned from the Antarctic whaling season of 1946-47, was alarmed at the suffering caused among whales by the bomb-harpoon. The Universities Federation for Animal Welfare took up his cause and was able to interest United Whalers Ltd. in the need for a more humane method and one which might also benefit the industry. Electric whaling was the obvious choice. The electric harpoon combines humane killing with better preservation of whale products. It is also considered to show real promise in reducing the time of hunting, and so shortening the season and reducing the enormous overhead costs in financing a modern expedition to Antarctic grounds.

At present the firm of United Whalers Ltd. is co-operating with the UK General Electric Co., Ltd., and with manufacturers of guns, ropes and cables, in a vigorous programme to develop the electric harpoon. The Electrovahl Company of Oslo maintains contact with the British investigators, and Japan is also experimenting with electrical methods. The main need has been to overcome breakage of ropes. Manilla, hemp, nylon and the new British polyester fibre, 'Terylene', have been tried. The British firm, Pirelli-General Cable Works Ltd., has devised an extensible conductor which can remain intact during the period of strain.

Research and development continue. Other techniques, including carbon dioxide shells and rockets for possible helicopter whaling, are being tried.

Sterling Area Reserves

Check to Loss of Gold and Dollars

In a statement in the UK House of Commons on 12th June, Mr. R. A. Butler, Chancellor of the Exchequer, announced that the sterling area's gold and dollar reserves had fallen by less than £10 million in the period of nearly two and a half months since the end of March, compared with losses of £334 million in the last three months of 1951 and £227 million in the first quarter of 1952. The £10 million loss was arrived at after allowing for the first instalment of the \$300 million of defence aid from the United States [see 7.2.52 1f(19)]. Without this aid the total drain on the reserves would have been around £47 million.

Referring to the tasks ahead, Mr. Butler said:

'Our motto must be "trade, not aid". A large and expanding share of the world's trade is a condition of the success of the policies at home and abroad to which we are all dedicated, and it is the fixed policy of the Government to strain every nerve to achieve this end.'

Sterling Area Still Faced with Long and Hard Task

Commenting on the results, Mr. Butler said that the sterling area to date was 'holding the position' but had still a long and difficult task before it. 'It is not a question', he went on, 'of getting over a hump. It is much more a question of building up our position steadily over the next two or three years. There is another factor. We have many external capital commitments and we must provide for building up the reserves from their present level. Unless provision can be made for these out of our current earnings in exactly the same way as imports are paid for, we are not meeting our obligations and the loss must ultimately fall on the reserves. Therefore, it is not sufficient for us just to balance on current account. A surplus must be our aim.'

Thirdly, Britain's capacity to fulfil these tasks, unless it were done by the less desirable method of cutting down imports and consumption, depended upon its ability to expand production and make the goods which the world wanted at the price it was ready to pay. 'In particular, we must expand our exports to the dollar and non-sterling world. This is a task for all: workers, employers, and Government.'

Area Pattern of UK Trade, January—April 1952

An analysis by world monetary areas of the distribution of United Kingdom exports and imports in the first four months of 1952 was released by the UK Board of Trade on 12th June.

In the first four months of this year the excess of imports (c.i.f.) from non-sterling sources over exports and re-exports (f.o.b.) to that area has shown a small reduction of £12 million a month below the average for last year (see Table I). Most of this was due to an improvement in the position *vis-à-vis* non-sterling countries other than OEEC countries and the dollar area; a slight reduction in the excess of imports over exports with the OEEC countries was offset by a deterioration in the balance with the dollar area. Trade with the sterling area accounted for a further reduction of £12 million a month in the excess of total imports from all sources over total exports in January to April compared with last year. In spite of the fall in shipments to Australia in April, exports to the sterling

area for the four months were 15 per cent above the 1951 rate, but imports from sterling sources, too, were slightly higher.

Exports

Exports to all areas were lower in April than in the first quarter, mainly because of the Easter holiday but also because of the first effects of the import restrictions of certain sterling countries. In the first four months, however, exports of United Kingdom goods to the non-sterling area in total showed little change compared with last year. Both the volume and prices of exports of textiles have been falling as a result of the general recession of consumer demand; in particular there was a drop in exports of wool manufactures to Canada and Western Europe. But sales to the non-sterling area of metals and engineering goods increased—machinery for OEEC countries accounting for about a third of the increase. Large re-exports of tin and rubber from Malaya contributed to the higher value of total exports to the non-sterling area [see Table II].

Imports

Imports from the non-sterling area in total showed little sign of a substantial reduction up to April compared with the average for 1951. A number of different factors were at work. In the food, drink and tobacco class, seasonally large imports, during the first four months, of grain from the United States and of fruit and vegetables—among these oranges from Spain and tomatoes from the Canary Islands—more than offset reductions in other foods.

There was a substantial decrease in the value of raw materials imported from outside the sterling area, timber and raw cotton being the principal items affected, but imports of iron and steel, non-ferrous metals and machinery, both from the dollar area and from Europe, were all considerably above the average for the whole of last year. Total imports from sterling countries during January to April averaged £4.3 million a month more than last year [see Table III].

TABLE I
UK IMPORTS AND EXPORTS BY MONETARY AREAS
Monthly Averages or Calendar Month

£ million

	IMPORTS			TOTAL EXPORTS			EXCESS OF IMPORTS OVER TOTAL EXPORTS	
	Year 1951	1st. Qtr. 1952	April 1952	Year 1951	1st. Qtr. 1952	April 1952	Year 1951	Jan.-April 1952
Dollar area	64.7	69.9	73.9	28.8	29.7	27.6	35.9	41.8
OEEC and possessions (non-sterling)	84.2	84.0	70.8	56.0	59.8	52.7	28.2	22.7
Other non-sterling area	60.6	54.7	55.2	29.9	36.9	34.6	30.6	18.4
Total non-sterling area	209.5	208.6	199.9	114.7	126.4	114.9	94.7	82.9
Sterling area	116.7	119.5	125.6	110.8	131.4	114.3	5.9	-6.1
TOTAL	326.2	328.1	325.5	225.5	257.8	229.2	100.6	76.8

TABLE II
PRINCIPAL CLASSES OF EXPORTS
Monthly Averages or Calendar Month

£ million

	STERLING AREA			NON-STERLING AREA			TOTAL		
	Year 1951	Ist. Qtr. 1952	April 1952	Year 1951	Ist. Qtr. 1952	April 1952	Year 1951	Ist. Qtr. 1952	April 1952
Food, drink and tobacco ..	6.4	7.9	6.1	6.9	6.5	6.0	13.3	14.4	12.1
Raw materials ..	1.1	1.2	1.2	6.8	8.1	6.9	7.9	9.3	8.1
Manufactures:									
Metal and engineering products	52.7	67.7	61.5	50.1	56.0	56.2	102.7	123.7	117.7
Textiles ..	24.7	23.4	17.9	20.2	16.4	15.1	44.9	39.7	33.1
Other ..	22.0	27.6	24.4	19.8	20.6	18.8	41.8	48.2	43.2
TOTAL UK EXPORTS*	109.4	130.1	113.3	105.6	109.3	104.4	215.0	239.4	217.5
Re-exports ..	1.4	1.3	1.1	9.1	17.0	10.5	10.5	18.3	11.6

*Including animals, not for food, and parcel post transactions.

TABLE III
PRINCIPAL CLASSES OF IMPORTS
Monthly Averages or Calendar Month

£ million

	STERLING AREA			NON-STERLING AREA			TOTAL		
	Year 1951	Ist. Qtr. 1952	April 1952	Year 1951	Ist. Qtr. 1952	April 1952	Year 1951	Ist. Qtr. 1952	April 1952
Food, drink and tobacco ..	39.2	42.6	43.4	69.0	70.5	72.7	108.2	113.1	116.1
Raw materials ..	61.1	61.3	69.3	81.9	73.2	64.9	142.9	134.5	134.2
Manufactures:									
Metals and machinery ..	6.1	6.9	5.6	16.0	27.9	32.4	22.1	34.8	38.0
Other manufactures ..	9.5	7.7	6.7	42.1	36.5	29.3	51.6	44.2	36.0
TOTAL UK IMPORTS*	116.7	119.5	125.6	209.5	208.7	199.9	326.1	328.1	325.5

*Including animals, not for food, and parcel post transactions.

General Note: These figures are for imports and exports as recorded in the UK Trade Accounts. They differ from the figures entering into the balance of payments statements mainly because recorded imports (valued c.i.f.) include insurance and freight paid to United Kingdom residents; there are also significant differences of timing and of coverage between the two sets of figures. The excess of imports (c.i.f.) over exports is not therefore the visible trade deficit shown in the balance of payments.

Imports from OEEC Sources

In April, for the first time since steps were taken in November to reduce the deficit with the non-sterling area, imports from OEEC non-sterling countries and their possessions showed a significant drop—more than the Easter holiday could account for—to £71 million compared with £84 million a month in the first quarter this year and £87½ million in the second half of last year. The effect of the cutting back in imports of certain miscellaneous foodstuffs and manufactured goods and of timber and paper and board was masked during the first quarter this year by a further big increase in supplies of ores and metals and of machinery from Europe and by the high value of imports of wood-pulp. By April, imports of wood-pulp from OEEC countries had been reduced below last year's level and there was a sharp fall in imports of textiles and chemicals. If the metals and machinery groups are omitted, April imports from OEEC countries and their possessions were £19 million less than the monthly average for last year.

British Radio Navigational Aids

Marine radio navigational aids supplied by United Kingdom manufacturers are being increasingly used in the ships of many countries. This is illustrated by export and sales figures given by the chairman of the Decca Record Company Ltd. on 18th April. In addition to the success of its export drive for these aids, the Company has reported also the establishment of an extensive organization for maintenance and service of the equipment supplied in 30 countries. A radio-aid for aircraft navigation is also coming increasingly into use.

Marine Radar

The use of Decca marine radar in British and foreign ships is increasing steadily. During the year ended 31st March 1952 there were 800 installations, about double the quantity delivered the previous year. Over 470 shipowners and authorities in the United Kingdom and abroad have since its introduction in 1949 either fitted or contracted to fit Decca radar to a total of nearly 2,000 vessels. In addition to being adopted by the Royal Navy, Decca radar has been selected by twelve British Commonwealth and foreign navies, including those of Australia, Denmark, New Zealand, and Sweden. It is also being fitted to twelve large tankers which are being built in the United Kingdom for the (US) North American Shipping and Trading Company.

Navigator Systems

Radar provides the navigator with means of fixing his position (in complete darkness, if necessary) by reference to a shore station which transmits signals in relation to land distances of up to twenty miles. Another radio aid, the Decca Navigator, enables the navigator to fix his position accurately at distances of up to 200 or 300 miles from the transmitting stations on land.

As the coverage of transmitting stations has increased there has been an increase in the supply of Decca Navigators. New hire contracts for the year ended 31st March 1952 were double those of the previous year. Contracts for hire and sale total over 1,650 installations. The system of transmitting stations at present covers the English Channel and much of the North Sea and Baltic Sea. In France, a chain of transmitters which is to be built for the French Government by licensees of the Decca Company should be in operation by the end of 1952.

Air Navigator

There is a version of the Decca Navigator radio-aid for aircraft serviced by Decca ground stations [see 16.11.51 3(e) p.53]. The biggest air line operator in Europe, British European Airways (BEA), announced in March 1952 that their entire fleet of aeroplanes would be equipped with the Decca Navigator.

A chain of transmitters has been built in Germany by a subsidiary company primarily for aerial navigation purposes.

A recent conference of airline pilots' associations decided, in view of the navigation problems involved in jet airline operations, to recommend the increased installation of radar-aids for landings and take-offs at major airports (see p. 24).

Air Line Pilots' Associations

Annual Conference of International Federation

Delegates from nineteen countries attended the annual conference of the International Federation of Air Line Pilots' Associations (IFALPA) held during April in Sydney, Australia. They represented 8,000 commercial air line pilots belonging to associations in the following countries¹: Australia (538), Belgium (68), Canada (351), Central Africa (27), Denmark (34), Finland (21), France (225), Greece (65), Republic of Ireland (54), Netherlands (277), New Zealand (147), Norway (61), Philippines (98), Sweden (75), Switzerland (57), Union of South Africa (105), United Kingdom (1,091) and United States (6,000).

The purposes of the Federation are to co-ordinate the activities of air line pilots' associations and provide a vehicle for expressing the co-ordinated opinion of pilots on technical and professional matters to help in developing a safe and orderly system of air transportation, to promote the interests of the air line piloting profession, and to foster, support and sponsor the passage of legislation and regulations which will improve the safety of air line pilots' working conditions.

Proceedings of the Conference

A conference of directors, one from each member organization, normally meets each year for discussion on general matters associated with technical development and problems in air line operations and piloting.

The 1952 conference had on its agenda a discussion of navigational problems involved in operating jet services. [The first jet airliner service was that inaugurated on 2nd May by the British Overseas Airways Corporation with the first passenger flight of the de Havilland *Comet* on the London-Johannesburg route see *Home Affairs Survey* 13.5.52 2h(40)]. The conference also discussed international weather forecasting, communications, barometric readings as they affect navigation, and the use of radar to aid high-speed aircraft on landings and take-offs. It was emphasized that in operating jet services, the higher speeds and shorter ranges necessitate reducing delays at major airports to a minimum. To reduce delay and relieve congestion, it was decided to recommend the installation of airborne radar which would avoid collisions. Meteorological services and humidity were other major subjects discussed at the conference. A United Kingdom delegate put forward several proposals, and reported some recent findings on humidity and its effect on aircraft performances which had emerged from special studies of humidity made on behalf of the British Overseas Airways Corporation.

Captain C. Sayer (US) was elected president of the Federation succeeding Captain B. C. Frost (UK); Mr. D. Fellows (UK) was re-elected as secretary. The 1953 conference will be held in Chicago.

¹ 1951 membership of IFALPA. Number of members in each country in brackets.

INTERNATIONAL SURVEY

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Bacteriological Warfare

*Soviet Proposals in the UN Security Council*¹

On 18th June the Soviet representative, M. Malik, put forward at a meeting of the UN Security Council a proposal that the Council should appeal to all States to ratify the 1925 Geneva Protocol² concerning the prohibition of chemical and bacteriological weapons. Only the United States and Brazil among the signatories, he said, had not ratified the Protocol. A decision by the Council to make this appeal would be a serious contribution to peace and security. Preparations for bacteriological warfare, he added, were going on in several countries, and the Security Council must take steps to prevent its use.

US Statement

Mr. Gross (United States) moved that the Soviet proposal be referred to the Disarmament Commission. President Truman, he said, had decided to withdraw the Protocol from ratification by the US Senate because it was obsolete. Experience had shown that the exchange of paper promises without proper safeguards was no longer adequate. Not the announced intention of States but their known capabilities must form the basis of any regulatory system of weapons of mass destruction. The United States was ready to support the absolute elimination of such weapons through an effective system of safeguards. The very fact that the Soviet ratification of the Geneva Protocol—like that of several other Powers—was accompanied by a reservation that it was not binding against an enemy which used bacteriological weapons put both the recent Soviet charges against the United States [see 20.3.52 1h(45), 3.4.52 1h(48) and 17.4.52 1h(56)] and the general insufficiency of the Protocol provisions in a relevant light, Mr. Gross said. It meant that the Soviet Union, even though it had ratified the Protocol, could use its own false charges as an excuse for using bacteriological weapons against the Unified Command in Korea the moment it chose to declare that command an 'enemy'.

UK Statement

On 20th June Sir Gladwyn Jebb (UK) pointed out that while he did not wish to suggest that the Geneva Protocol had been of no value, he considered that M. Malik's statement greatly exaggerated its influence on events in the past 25 years. Sir Gladwyn recalled that during the second world war the USSR had welcomed the possession by Britain of stocks of

¹The relevant United Nations records not being available in London at the time of going to press, this account is based on Press reports.

²The Protocol relating to chemical and bacteriological warfare was one of five instruments drawn up by the International Conference on the Control of the International Trade in Arms, Munitions and Implements of War which was convened by the Council of the League of Nations and sat between 4th May and 17th June 1925. The Protocol, which was due mainly to the initiative of the US and Polish delegations, contained a declaration by which the contracting Powers accepted prohibition of the use in war of asphyxiating, poisonous or other gases and similar materials or devices and agreed to extend it also to bacteriological methods of warfare. The Protocol was signed by 38 States, of which Brazil, El Salvador, Japan, Nicaragua and the United States did not ratify. A number of States, including Belgium, Bulgaria, Chile, France, Iraq, the Netherlands, Portugal, the USSR, the United Kingdom and other Commonwealth countries made reservations to the effect that they were not bound *vis-à-vis* other States (a) which had not acceded to the Protocol and (b) which did not respect its provisions.

gas bombs with which to retaliate if Hitler had launched gas warfare. 'Now M. Malik suggests that it is a most atrocious crime for the United States to conduct research on bacteriological or other weapons covered by the Geneva Protocol of 1925', Sir Gladwyn said. 'The Russians really cannot have it both ways.'

Sir Gladwyn recalled a reply of M. Stalin dated 30th March 1942 to a letter of Mr. Winston Churchill of 20th March 1942 offering to use British gas bomb stocks in retaliation if a suspected Nazi gas attack on Russia should materialize. M. Stalin had written:

'I wish to express to you the Soviet Government's gratitude for the assurance that the British Government will look upon any use of poison gas against the USSR in the same light as if this weapon had been used against Great Britain, and that the British Air Force will immediately use against suitable objectives in Germany the large stocks of gas bombs held in England.'

M. Stalin, Sir Gladwyn observed, had not suggested that it was a crime for Britain to possess a stock of gas bombs. These bombs had not been produced during the war, but were the result of pre-war research. M. Stalin, he went on, 'certainly did not suppose that Hitler would be restrained because Germany was a party to the Geneva Convention. We must suppose that the same would be true of any future aggressor. So we must support the United States point of view that aggression is the crux of our problem, and not paper promises of the Soviet Union or any other State not to use any particular weapon'.

M. Malik was operating behind a smokescreen of emotional appeals in order to delude the unwary and so as to 'weaken the Western world and to cause it to agree to substantial measures of disarmament on the strength of paper promises'.

What was needed for peace was for Russia to sit in the UN Disarmament Commission with the real intention of achieving results. 'The first thing as I see it', Sir Gladwyn said, 'is for the Soviet Government to prove their sincerity not only by their words but by their actions, to stop their present policy of favouring aggression, to call off the hate campaign, to agree to reasonable political settlements, and to allow the world to settle down and recover as it should from the last orgy of slaughter provoked by the German Nazis.'

Meanwhile, Sir Gladwyn Jebb said, he hoped that no one would be taken in by M. Malik's effort to represent the United States as the villain of the piece because for technical reasons the US Congress had not ratified the Geneva Protocol.

Soviet Proposal Rejected

On 26th June the Council rejected the Soviet proposal, only the USSR voting in favour and the remaining ten members abstaining. The US delegate thereupon withdrew his own proposal.

Previous Debate in Disarmament Commission

M. Malik had, at the end of May, brought up the Geneva Protocol in the UN Disarmament Commission. At that time also, the US representative, Mr. Benjamin Cohen, had noted the reservations which the USSR had attached to the Protocol and the charges it had made against the Unified Command in Korea, and drew attention to the fact that the Soviet Union put forward in the Commission proposals involving promises

and vaguely worded paper agreements while opposing the creation of concrete programmes to see that agreements were carried out.

Communist Accusations to be Discussed by Council

The United Nations Security Council voted 10 to 1 (USSR) on 25th June to place on the agenda a United States resolution that the Council should ask the International Committee of the Red Cross, with the aid of scientists of international reputation and other experts, to investigate the charges of bacteriological warfare made against the UN Unified Command in Korea [see 20.3.52 lh(45), 3.4.52 lh(48) and 17.4.52 lh(56)] and that the Red Cross should be given the right of entry into areas it considered necessary for this purpose.

On 23rd June, when the US proposal was put forward, M. Malik (USSR) had said that he would only agree to the item being put on the Council's agenda if the representatives of Communist China and of North Korea were invited to participate in the debate. The US delegate pointed out that the Council had never before invited non-members until a subject became an established item on the agenda. After that was done, he was prepared to argue why the invitations were improper and unnecessary. The essential thing was to conduct the investigation. False charges could not be disposed of in debate either by the Council or the Disarmament Commission.

UK Statement

Sir Gladwyn Jebb (UK) said that there was no question that the Council was the proper forum for the investigation of M. Malik's charges. Contrary to such general Soviet charges as that of the 'aggressive intentions' of NATO, or of the Western statesmen being 'hyenas' and 'cannibals', the accusations of bacteriological warfare were susceptible of objective proof by Russia. They constituted under any civilised standard of law the most serious slander and libel unless proved true, and the onus of proof rested on Russia which made the accusations and not on the United States.

UN Disarmament Commission

Text of Report in UK White Paper

The text of the first report, with related documents, of the United Nations Disarmament Commission to the Security Council and to the members of the United Nations, which was adopted on 28th May, has been published in the United Kingdom as a White Paper (Cmd. 8589). The report, after a short introduction, gives the texts (*inter alia*) of:

- (1) the General Assembly resolution of 11th January 1952, setting up the Commission [see 10.1.52 ld(1)];
- (2) the five paragraphs of the Soviet proposals referred to the Commission by a resolution of 19th January 1952 [see 24.1.52 ld(4)];
- (3) US, Soviet and French proposals for programmes of work for the Disarmament Commission;
- (4) Joint French, UK and US working paper giving proposals for the limitation of armed forces [see 29.5.52 ld(10)];
- (5) US proposal on essential principles for a disarmament plan;
- (6) US working paper submitted on 5th April 1952 making proposals for progressive and continuing disclosure and verification of armed forces and armaments.

DISCLOSURE AND VERIFICATION OF FORCES AND ARMAMENTS

The US working paper on the disclosure and verification of armaments [see (6) above] envisaged a system of disclosure and verification on a continuing basis covering all armed forces including para-military, security and police, and all armaments including atomic. This would be carried out step by step, the next step only being taken when previous steps had been satisfactorily completed. This would give all States the opportunity over a period of time to test the good faith of all other States.

It was contemplated that the disclosure and verification would proceed from the less secret areas in the early stages to the more secret in the later stages. This phasing would, in addition to furnishing the best test of the good faith of all States, cause the minimum degree of interference in the internal life of each country, since the less sensitive information could be more readily verified, and would, in cases of differences or delays, prevent premature disclosure of information which many States would like reserved until substantial good faith had been demonstrated.

The stages envisaged were summarized as follows:

Stage I—A quantitative count in the nature of a report on existing strength levels of all armed forces and of the location of installations and facilities concerned with armaments of all types including atomic.

Stage II—Detailed disclosure of organization of armed forces and of installations and facilities concerned with the basic materials required for production of all armaments including atomic.

Stage III—Detailed disclosure of armaments (except novel armaments), fissionable material and installations and facilities utilized in their production.

Stage IV—Detailed disclosure of installations and facilities utilized in the production of novel armaments including atomic (armaments not in general use by the end of the second world war but in volume production to-day).

Stage V—Detailed disclosure of novel armaments including atomic.

Inspection

In general inspectors would have to verify disclosed information by periodic visits, by reference to statistical records, by 'on-the-spot' inspection, and by aerial surveys, which furnish the easiest method of determining the existence of large undisclosed facilities and installations.

Each State at the beginning of each stage should submit to the Commission a general description of the nature and location of facilities falling within the terms of reference for that stage, and access to such locations 'reasonably sufficient to verify the information disclosed' should be given to inspectors. Inspectors should at all stages have access to the entire national territory in order to allow the Commission to determine within reasonable limits the accuracy of the information disclosed. Inspectors should be given facilities of freedom of movement and access to such installations and facilities as might reasonably be required, including the right to inspect the physical dimensions of all facilities and installations, wherever situated.

Procedure should be set up to allow the Commission to determine the necessity for inspection of facilities or installations, access to which was denied to the inspectors and where the inspectors judged that inspection was required.

North Atlantic Treaty Organization

Appointments to Secretariat

Lord Ismay, Secretary-General and Vice-Chairman of NATO, announced on 19th April that Mr. van Vredenburg, head of the Netherlands delegation to the EDC conference in Paris, had been appointed Deputy Secretary-General of NATO. Lord Ismay announced, on 10th May, the appointment of two assistant Secretaries-General, M. René Sergent of France (economic affairs) and Signor Sergio Fenoaltea of Italy (political affairs). On 4th June, the appointment was announced of Mr. David Luke Hopkins, of the United States, as Assistant Secretary-General for defence production.

Air-Sea Exercise 'Castanets'

The naval and maritime air exercise *Castanets*, in which more than 250 ships and 400 aircraft of nine NATO countries took part [see 29.5.52 If(73)] and which began on 18th June, ended on 25th June. Operations during the exercise took place in an area extending from a position about 300 miles west of Ireland to the coasts of Southern Norway, Denmark, the Netherlands and Belgium and the Atlantic seaboard of France as far south as Brest.

The forces operating were naval and air units of the United Kingdom, Canada, France and the Netherlands; naval units of Belgium, Denmark, Norway and Portugal, and air forces of the United States based in the United Kingdom and the European continent. The United Kingdom, Canada and the Netherlands also operated carrier-borne aircraft. The UK naval forces included the battleship HMS *Vanguard* and the fleet aircraft carriers HMS *Illustrious*, *Implacable*, *Indomitable* and *Indefatigable*, in addition to cruisers, destroyers and other supporting vessels.

Admiral of the Fleet Sir Arthur Power, RN, who conducted the exercise as NATO Commander-in-Chief, UK Home Station, and Allied Commander-in-Chief, Channel, and Air Marshal Sir Alick Stevens, Air Officer Commanding-in-Chief, RAF Coastal Command, who exercised control of the maritime air forces in his capacity as Maritime-Air Commander-in-Chief of the NATO Channel Command and Eastern Atlantic Command, summed up the results of *Castanets* at a press conference on 26th June.

Sir Arthur Power emphasized that the principal basis of the exercise was the routine work of protecting sea communications against attempted interference, which comprised so large a part of war at sea. He said that the exercise proved that good progress had been made in the process of welding units from different nations into a homogeneous force. Never before, he said, had three separate nations been represented in a squadron of four ships.

Sir Alick Stevens stated that, in the exercise, maritime aircraft had flown 162 sorties, totalling 1,575 hours, during which 51 submarines had been sighted and 34 attacked—a most successful proportion—in addition to other ships sighted and shadowed.

Exercise 'Main Brace'

More than 150 warships and several hundred aircraft of eight NATO countries—United Kingdom, United States, Canada, Denmark, France,

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the Netherlands, Norway and Portugal—will take part in an exercise, to be known as *Main Brace*, which will be held in Northern European waters, beginning on 3rd September. The exercise will be conducted by Admiral Sir Patrick Brind, RN, Commander-in-Chief, Allied Forces, Northern Europe, and the participating forces will be under Admiral McCormick, Supreme Allied Commander, Atlantic (SACLANT), and General Ridgway, Supreme Allied Commander, Europe (SACEUR).

Main Brace, which will be the first combined exercise involving the two NATO Supreme Commanders, will be the largest of its kind yet conducted and will include carrier, anti-submarine and convoy operations. SACLANT's forces will combine with those of SACEUR to meet an assumed attack on Europe's northern flank. The section of the Atlantic involved in the exercise will be the Eastern Atlantic area in which Admiral Sir George Creasy, RN, is Commander-in-Chief, and Air Marshal Sir Alick Stevens, RAF, is Air Commander-in-Chief [see 7.2.52 lf(13) and 17.4.52 lf(59)].

Air Exercise 'June Primer'

From 23rd to 27th June, an air exercise, known as *June Primer*, was held under the direction of Lt.-General Norstad, Commander-in-Chief, Allied Air Forces, Central Europe. Taking part in the exercise were more than 700 UK, US, French, Belgian and Netherlands aircraft of the Second and Fourth Allied Tactical Air Forces [see 1.5.52 lf(63)], French, Belgian and Netherlands aerial defence units and anti-aircraft detachments, and ground forces which provided simulated targets.

Coastal Forces Exercises 'Viking'

Between 5th and 22nd July, United Kingdom, Danish and Norwegian naval coastal forces will carry out a series of exercises, to be known as *Viking*. Six fast patrol boats from each of the three navies will take part in harbour drills and preliminary manoeuvres at Frederikshavn, followed by advanced sea exercises, including torpedo and gunnery firings, in Oslo Fjord, and three night encounters. The participating forces will visit Oslo on 12th and 13th July and Copenhagen on 19th—20th July before returning to their home ports.

Air Display in Belgium

At the invitation of the Belgian Government, the air forces of 11 NATO countries—Belgium, Canada, Denmark, France, Italy, Luxembourg, the Netherlands, Norway, Portugal, the United Kingdom and the United States—will take part in an air display in Belgium from 11th to 13th July. The programme will include parades by drill teams and track and field contests as a preliminary to a display of military precision flying, aerobatics and a fly-past by aircraft of NATO forces.

The UK contribution to the display will include a fly-past by a squadron of *Canberra* jet bombers and a performance of aerobatics by jet fighters of the Second Tactical Air Force, RAF.

The Commonwealth & the United States

Mr. Eden's Speech at the Pilgrims' Dinner

On 18th June Mr. Anthony Eden, UK Secretary of State for Foreign Affairs, spoke at the Pilgrims'¹ Dinner in London on the historical links between the British Commonwealth and the United States and their common action in contemporary international affairs in pursuit of peace.

The Anglo-American Partnership

Mr. Eden described the gradual shift in economic power during the last half-century from Europe to America and the part which European liberalism in general and the British values—respect for law, a sense of justice and fair play, a belief in the rights of man and a free press—had played in weaving the pattern of American democracy. This was the explanation of a seeming paradox—that a country, which had won its independence from Britain less than two centuries ago, had twice come voluntarily to its aid when mortal danger threatened. 'And so it is,' Mr. Eden said, 'that the United States and the British Commonwealth of nations together carry this tremendous responsibility for the peace and the future of the world. . . . All things are possible so long as there is unity and mutual understanding between the British and American allies. No constructive achievement is possible if we are at odds.' There were bound to be differences, due to the economic revolution and the process of adjustment—occasional impatience on one side and occasional resentment on the other. Indeed, if they agreed on every topic, 'we should have to question our independence and vigour of thought.' But it was the true strength of Anglo-American relations that they were 'real partners in this enterprise of peace.'

Britain and Europe realized their debt to the US willingness to 'accept the burden of international leadership.' For the partnership operated today in a wider frame. Mr. Eden went on to speak of the active membership of the two countries in the United Nations and the North Atlantic association, the special responsibilities laid on Britain by the partnership, and Britain's effort to achieve that economic health which is 'the foundation of defence as of peace and progress.'

Common Action in the Pursuit of Peace through Strength

The objective of these endeavours was, for both countries, peace. As the US Secretary of State had said, 'war cannot accomplish the purpose of a democracy'. He believed that it was only through a real understanding between the British Commonwealth and the United States that peace could be won. They were engaged in building up a strong Western community 'so that we may be able to negotiate with the Soviet Union on fair terms.' He believed that the Bonn agreements [see 29.5.52 1g(27)] might prove to be a turning point in history; for out of them could grow a European community standing securely within the wider association of

¹The Pilgrims is an Anglo-American dining club, the purpose of which is to promote friendship between the two countries. The London branch was founded in 1902 and the New York branch a year later. Traditionally each new US Ambassador makes his first public speech as Ambassador to the Pilgrims. The Pilgrims sponsored the erection of a statue in Grosvenor Square, London, to Franklin D. Roosevelt in 1948 [see *Home Affairs Survey* 24.4.48, Vol. 5, *Miscellaneous* p.51.]

the North Atlantic Community, which he believed would bring nearer the time when a relaxation of tension between East and West would seem desirable also to the USSR. When opportunity for negotiations occurred, they must not be afraid to seize it. 'As our strength grows so must our confidence and our assurance'; once they were clear in their own minds what their purposes were, they need not be afraid of being argued out of them. 'Honest men run no danger from argument and discussion. Indeed it is very much to our interest that our sincerity and the peaceful character of our intentions should be better known in those parts of the world where we are now abused. As Emerson said: "Nothing astonishes men so much as common sense and plain dealing". And so I have faith that our present policy will bring results. History does not glide along oiled grooves at an even pace. Progress is always intermittent and uncertain. But if we hold to our purpose and fulfil our plans I believe we may yet enter upon a period of consolidation and peace. . . . Let us step forward together boldly, and with generous intent, threatening no evil and fearing none.'

The text of Mr. Eden's speech will be found in R.2425 of 25.6.52, I.lg.

Contractual Agreements with Germany

UK White Papers

In addition to the White Papers issued on 26th May on the contractual agreements between the three Western Powers and the German Federal Republic [see 29.5.52 lg(27)], the United Kingdom Government has since issued the following White Papers on the agreements:

Cmd. 8571—*Conventions between the Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland and the French Republic of the one part and the Federal Republic of Germany of the other part, with accompanying instruments.* This gives the texts of (1) Convention on Relations between the Three Powers and the Federal Republic; (2) Convention on the Rights and Obligations of Foreign Forces and their Members in the Federal Republic of Germany; (3) Finance Convention; (4) Convention on the Settlement of Matters arising out of the War and the Occupation; (5) Letters exchanged on particular aspects of the Conventions by the three Western Foreign Ministers and the German Federal Chancellor and by the Allied High Commissioners for Germany and the German Federal Chancellor.

Cmd. 8569—*Agreement . . . on the Tax Treatment of the Forces and their Members* (text).

Cmd. 8576—*Supplementary Documents to the Conventions signed at Bonn*, giving the texts of further letters exchanged by the Allied High Commissioners for Germany and the German Federal Chancellor on matters of detail relating to the Conventions, and the text of an explanatory statement on reparations agreed by the three Western Foreign Ministers in Bonn on 24th May [see 12.6.52 lg(33)].

The Anglo-Persian Oil Dispute

International Court Hearings

On 9th June the International Court of Justice began the oral hearings of the cases submitted by the Persian and United Kingdom Governments on the question of the Court's competence to deal with the substance of the UK Government's oil case against Persia.

The Court consisted of 13 regular judges, one each from Brazil, Canada, Chile, China, Egypt, El Salvador, France, Norway, Poland, the United Kingdom, the United States, Uruguay and Yugoslavia, under the Presidency, for this case only, of Dr. J. G. Guerrero (El Salvador). Two judges are not sitting in this case—Sir Benegal Rau (India), because he was representing his country on the Security Council when the Council discussed one aspect of the Anglo-Persian dispute in 1951 [see 2d 5.10.51 p.27 and 19.10.51 p.29], and Dr. Sergei Golunsky (USSR) who is ill. Dr. Karim Sandjahi was sworn in as *ad hoc* Persian judge, according to the rules of the Court, making 14 judges in all.

The present hearings arose out of the Persian Government's formal refusal, filed on 4th February 1952, to recognize the jurisdiction of the International Court in the Anglo-Persian Oil case. Written observations by both parties on the question of jurisdiction had already been submitted to the Court before the opening of the oral hearing [see 1.5.52 1h(57)].

The oral hearings before the International Court, begun on 9th June, were concluded on 23rd June. The Court heard firstly the representatives of Persia, as the Government which lodged the Preliminary Objection to the Court's jurisdiction in this case, and then the replies by the representatives of the United Kingdom. The hearings were concluded by further Persian and UK legal statements. The Court has announced that it will give its decision at a later date.

General Considerations Raised in the Case

In addition to the purely legal arguments advanced by the representatives of both parties in respect of the Court's competence, other more general questions were raised by the Persian Prime Minister, Dr. Mussadiq, and the counsel for Persia, Professor Rolin, in their presentation of the Persian case.

Opening the case for the Persian Government, Dr. Mussadiq accused the Anglo-Iranian Oil Company of plots against the Persian Government, of sabotaging Persian interests, of behaving like a 'State within a State.' The Company treated its workers like domestic animals, he said. Britain had been guilty of acts of intimidation and British secret police had been maintained in Persia. There had been, over a long period of years, improper interference with Persian internal affairs. After 'masses of oil' had been extracted from Persia, western petrol trusts were now enforcing a boycott of Persian oil products which was inflicting 'most damaging losses' on Persia.

Dr. Mussadiq spoke of the limitations of authority of the United Nations, with reference to Article 2 paragraph 7 of the United Nations Charter which denies the organization the right to intervene in matters essentially within the jurisdiction of any State. The desire to prevent interference with domestic jurisdiction was deeply ingrained in Persia, he said, and this was a reason why the Persian Government could not accept the

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jurisdiction of the International Court in the present dispute. So vital was the cause at stake to the nation that Persia could not afford the 'slightest risk of an unfavourable decision.'

These questions were dealt with by Sir Lionel Heald, UK Attorney-General, who opened the British case on 13th June, and by Sir Eric Beckett, Legal Adviser to the UK Foreign Office. Sir Lionel said that Dr. Mussadiq's speech, which consisted principally of an attack on British policy in Persia during the past 50 years, 'related almost exclusively to matters which are wholly irrelevant' to the issue before the Court. The UK Government, he said, disputed Dr. Mussadiq's allegations, which had already been made and answered elsewhere [see 19.10.51 2d p.31].

Later in the oral hearings, Sir Eric Beckett referred to Professor Rolin's suggestion that the Court should decide that it had no jurisdiction, as that decision, and only that decision, would 'appease' the Persian people. Whatever were the precise meaning of the word 'appeasement', it was quite clear that what Professor Rolin meant by it was that in the last resort the Court should base its decision at any rate partly on political grounds. 'But this Court', Sir Eric declared, 'can never allow political considerations to have any influence on its decisions. There are other organs of the United Nations where due account may be taken of political considerations, but this Court will pay no attention to them. The Court has told us more than once that it does not want to hear this kind of argument, and it is a great tribute to the authority of the Court that these proceedings have been kept so free of political controversy. I have no doubt that this has already added to the prestige of the Court.'

'Professor Rolin contended that the Court had also a social function in the modern world, and with that . . . I agree. But the Court's social function is the very function prescribed in its Statute, namely, deciding international disputes according to law. This is the purpose for which the Court was created. This is the basis of its existence as the principal judicial organ of the United Nations. This is the foundation of the confidence which the nations of the world have in this Court. Destroy that confidence, and there will vanish with it all hope and prospect for the rule of law.'

Referring to Professor Rolin's statement that the oil dispute had raised the 'strongest emotions' in Persia, Sir Lionel Heald reminded the Court that, if this was at all relevant, the matter was 'one on which feelings are strong in the United Kingdom too'.

Nationalization and the Question of Domestic Jurisdiction

Professor Rolin contended on behalf of the Persian Government that the nationalization of an industry was a matter which did not fall within the jurisdiction of the International Court, because it was a political act and exclusively a question of domestic jurisdiction, even when it might have been covered by treaties or conventions. He submitted that there existed a widespread practice with regard to the annulment or individual revocation of concessions, and that the inviolability, and irrevocability of a concession could not be defended when an end had been put to such a concession by a general measure of nationalization—such as the Persian law of 1st May 1951. The nationalization of the property or shares of concessionary companies, whether national or foreign, had in recent years been undertaken by many countries and it was a common practice for States to reserve public utilities concessions to their own nationals. There could not here be said to have been any disregard of the rules of international law.

In reply to this contention the UK Attorney-General said that it would appear from this argument that once a State used the magic word 'nationalization', then at once the Court was precluded from inquiring into any breach of agreement or any denial of justice to individuals which might arise out of any transaction covered by nationalization. The logical conclusion of this argument would be that the International Court of Justice could, by means of a preliminary objection, be excluded from considering any dispute having its origin in a claim that a national of one State had been unfairly treated by another State. As a high proportion of the disputes taken to the Court had their origin in such circumstances, the Persian argument, if accepted, would really undermine the whole structure of the Court and set back almost irreparably the progress of international law. 'What is before the Court', he declared, 'is not the general question of nationalization but the facts of a particular case in which a State has purported to carry out what it calls nationalization, but which might more appropriately be termed expropriation'.

UK Respect for the Rule of Law

The Attorney-General pointed out that the United Kingdom had in this dispute, as in others, in the face of the strongest provocation and a campaign of slander and abuse, scrupulously followed the rule of law. 'It has done this', he said, 'by instituting proceedings because it thinks the Court has jurisdiction, by requesting the Court to indicate interim measures of protection when Iran rushed recklessly ahead with putting into force measures the legitimacy of which were *sub judice*, and by bringing before the Security Council Iran's failure to abide by the interim measures indicated by the Court.'

He said that, whatever might be the legal force of interim measures indicated by the Court, there was no doubt whatever—and he was sure that Professor Rolin would agree—that the Court's decision as to its jurisdiction when it is given, is legally binding on both parties', so he hoped that Persia 'will show her respect for the rule of law, and for the Court, by stating, as we do, that she will accept the Court's decision whichever way it goes.'

Intermingling of Questions of Competence and Merits

The Attorney-General said that Dr. Mussadiq had 'demonstrated clearly by his address that, at least to his mind, it is impossible to dissociate the merits of the case from the question of jurisdiction' and the same considerations of the circumstances surrounding the dispute had been invoked, though to a lesser extent, by Professor Rolin. The impression that the legal and factual considerations were inextricably linked together was strengthened by the fact that the Persian Government in its written observations of February 1952 had—after stating that the merits of the Anglo-Persian dispute did not require to be raised or discussed before the Court—proceeded to devote almost half of its arguments to the facts and circumstances of the main dispute. Since the President of the Court had ruled that merits could not be gone into in the proceedings on competence it followed *a fortiori* that any partial consideration of those merits would be as unfair to the Persian as to the UK Government. The Court might, in fact, consider that Persia had shown that the proper conclusion could only be reached in this case if the consideration of the Court's jurisdiction were postponed until the whole of the case were

¹In the Anglo-Norwegian Fisheries case, the United Kingdom accepted the finding of the International Court in favour of Norway [see 24.1.52 lh(14)].

before the Court. The UK Government, while holding that the Court had jurisdiction, would certainly not oppose such a postponement of this question until the merits were also before the Court.

The Legal Arguments on Competence

The United Kingdom and Persian oral pleadings dealt principally with the interpretation of the wording of the Persian declaration of 1932 accepting the jurisdiction of the Court, with the question whether the International Court was precluded from hearing the Anglo-Persian case as a result either of the proceedings before the UN Security Council in 1951 or of Article 2(7) of the UN Charter (see p.15), and finally with the question whether the wording of a UK Note of 3rd October 1951 could be held to be an unequivocal acceptance of the nationalization of the Persian oil industry.

In each case the arguments of the two parties have been placed for the sake of clarity in parallel columns.

PERSIAN ACCEPTANCE OF THE COURT'S JURISDICTION

The Persian declaration of acceptance of the Court's jurisdiction (which became effective on 19th September 1932, see 1.5.52 1h(58)) accepted the Court's jurisdiction 'for all disputes arising after ratification of the present declaration with regard to situations or facts relating directly or indirectly to the application of treaties or conventions accepted by Persia and subsequent to the ratification of this declaration, with the exception of . . . disputes with regard to questions which, by international law, fall exclusively within the jurisdiction of Persia'.

At the same time Persia reserved the right to demand the suspension of proceedings before the Court in any dispute which had been submitted to the Council of the League of Nations.

(a) The UK Government submitted that in the wording of the Persian acceptance, particularly if read in the context of similarly worded acceptances made earlier or about the same time by other States, the phrase 'subsequent to ratification' applied to the 'situations or facts' and not to the 'treaties or conventions' accepted by Persia—in other words that the International Court had jurisdiction over disputes in relation to treaties or conventions accepted by Persia at any date.

(b) If the Court decided that the Persian declaration had accepted jurisdiction only in respect of treaties subsequent to 19th September 1932, then the UK Government submitted that there existed two such relevant treaties and conventions. The most important of these was the treaty stipulation arising in 1933 out of the international dispute between the United Kingdom and Persia. The UK Government contended that Persia accepted a treaty obligation in connection with the Concession Convention which she concluded with the AIOC in 1933 because the terms of the Convention constituted the conditions of settlement of an international dispute between the United Kingdom and Persia. The agreement between these two States settling this

The Persian Government submitted that the correct meaning of the form of words used in this declaration of acceptance was that only disputes arising from treaties and conventions concluded *after* September 1932 would be subject to the Court's jurisdiction. It was claimed by Persia that the text of the Persian law legalizing the acceptance 'incontestably confirmed' this interpretation.

In the first place, the Persian Government submitted, the terms of the acceptance only referred to treaties and conventions which were legally such; in particular such treaties should be concluded between States and be in writing.

In the second place, the Persian Government submitted that the agreement for settlement of the oil dispute between the United Kingdom and Persia in 1933 was only a 'tacit agreement' and could not be regarded as a treaty or convention for the purposes of the Persian acceptance. Moreover, if this agreement had in fact been a treaty, then the provisions of Article 18 of the League of Nations Covenant in respect of the registration of treaties had not been complied with and the 'treaty' could not be invoked in the International Court.

dispute was concluded through the mediation of the Council of the League of Nations, the negotiations between Persia and the AIOC (Then the Anglo-Persian Oil Company) having been conducted under the supervision of the *Rapporteur* of the Council and the text of the Concession Convention having been annexed in the *Rapporteur's* official written report to the Council which only then allowed the matter to drop from its agenda.

The UK Government further submitted that the provisions of Article 18 of the Covenant of the League of Nations were in fact aimed against the conclusion of secret treaties and that there was legal authority to show that some classes of treaty or convention and particularly treaties concluded through the mediation of the League did not require registration in order to be accepted as valid.

There was also, the UK Government submitted, a further treaty obligation towards the United Kingdom which Persia had accepted after 1932. This was the treaty between Persia and Denmark signed on 20th February 1934 upon which the United Kingdom was entitled to rely by virtue of 'most-favoured-nation' clauses in earlier Anglo-Persian Treaties [see 1.5.52 lh(58) and 1.6.51 3a p.32]. The UK Government submitted that its dispute with Persia concerned a breach of the obligations thereby incurred by Persia under the Persian-Danish Treaty.

(c) The UK Government also submitted that the Persian reservation in respect of proceedings before the Council of the League of Nations (or in this case the UN Security Council) did not apply to the discussion by the Security Council in October 1951 of the UK complaint against Persia. The reason for the Persian reservation was to avoid conflicting decisions of two tribunals on the same issue. What had been placed by the UK Government before the Security Council was, not the dispute now before the International Court, but, as appeared on the Security Council's agenda, a 'complaint of failure by the Iranian Government to comply with provisional measures indicated by the International Court. . . .'

The Persian Government submitted that, even if it had incurred obligations towards the United Kingdom as a result of its treaty with Denmark concluded in 1934, since the 'root' of these obligations lay in the most-favoured-nation clauses of pre-1932 Anglo-Persian treaties, the United Kingdom was not entitled to rely on them.

The Persian Government submitted, as an alternative to the main claim that the Court should declare itself without jurisdiction, that the Court should, even if it decided it had jurisdiction, suspend the proceedings on merits because the Anglo-Persian oil case had already been submitted to and was being examined by the Security Council, thereby bringing into effect the quoted reservation in the Persian acceptance of the Court's jurisdiction.

'DOMESTIC JURISDICTION' AND THE UN CHARTER

The question of the Court's competence also involved an interpretation by the Court of Article 2, paragraph 7, of the Charter of the United Nations, which provides that: 'Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any State. . . .'

(a) In the first place, the UK Government submitted that 'the present dispute between the United Kingdom and Iran does not relate to a matter which, by international law falls *exclusively* within the domestic jurisdiction of Iran' and therefore that the exception in this respect made in the Persian declaration of acceptance of the Court's jurisdiction did not apply [see p.14]. This question was covered by a ruling of the Permanent Court of International Justice in the *Tunis and Morocco Nationalities Decrees* case in 1923 [see 1.5.52 1h(59)]. From this case it followed that a matter which was covered by a rule of general international law or by a treaty was not within the '*exclusive* jurisdiction' of a State, which was the term used in the Persian declaration of acceptance. Since the United Kingdom invoked the breach of treaty provisions the matter could therefore not be within the exclusive jurisdiction of Persia.

(b) The UK Government submitted that while in certain cases—such as the interpretation of the provisions of the Charter of the United Nations—it might be necessary to take into account the development of international law or the practice of the United Nations, declarations of acceptance of the Court's jurisdiction could not be treated thus. The terms of such declarations were under the sole control of the States making them, and Persia could have in the past—if it had so wished—denounced its declaration and replaced it by a new declaration in modified terms. Moreover Article 36 of the Statutes of the International Court under which the declaration was made, provided in clear terms that Persia's declaration was to be deemed an acceptance of the compulsory jurisdiction of the Court in accordance with the terms of that declaration.

The UK Government submitted that the Court's jurisdiction was governed in contentious cases by its Statute and particularly by the declarations of States accepting its jurisdiction referred to in paragraphs (2) and (5) of Article 36 of the Statute¹.

See immediately below for the exact Persian legal arguments in support of the Persian Government's general contention that the nationalization of the oil industry in Persia was a matter within the domestic jurisdiction of that State.

The Persian Government submitted that 'the United Kingdom and Iran having in their declarations [of acceptance of the Court's jurisdiction] reserved questions which, according to international law, are within the *exclusive* jurisdiction of States, this reservation must be read, having regard to the substitution of Article 2(7) of the UN Charter for Article 15(8) of the Covenant of the League of Nations, as extending to questions which are *essentially* within the domestic jurisdiction of States, and that such express declarations incontestably reinforce the general provision of Article 2(7) of the Charter and constitute a supplementary reason which should lead the Court to declare itself incompetent'.

¹The provisions of paragraphs (2) and (5) of Article 36 of the Statutes of the Court are as follows:

Para. 2. 'The States parties to the present Statute may at any time declare that they recognize as compulsory *ipso facto* and without special agreement, in relation to any other State accepting the same obligation, the jurisdiction of the Court in all legal disputes concerning:

- (a) the interpretation of a treaty;
- (b) any question of international law;
- (c) the existence of any fact which, if established, would constitute a breach of an international obligation;
- (d) the nature or extent of the reparation to be made for the breach of an international obligation.'

Para. 5. 'Declarations made under Article 36 of the Statute of the Permanent Court of International Justice and which are still in force shall be deemed, as between the parties to the present Statute, to be acceptances of the compulsory jurisdiction of the International Court of Justice for the period which they still have to run and in accordance with their terms.'

(c) The UK Government submitted that 'Paragraph 7 of Article 2 of the Charter of the United Nations is not relevant to the jurisdiction of the Court'. In the first place, although the Court was indeed a principal organ of the United Nations and its Statute was annexed to and formed part of the Charter, the expression 'the present Charter' in Article 2(7) did not mean both the Charter and the annexed Statute. It was apparent from the wording of several Articles of the UN Charter (notably Nos. 36, 92 and 93 (para. 1)) and of the Statute of the Court itself (Nos. 1, 36, 65 and 69) that the word 'Charter' is used in these instruments to cover only the Articles of the Charter itself and not the Statute of the Court. Secondly, the UK Government submitted, Article 2(7) of the UN Charter placed no limit on the juridical activity of the Court in contentious cases under its Statute. The Court, though an organ of the United Nations, is a very special organ with a separate history, with highly individualized functions and with a comprehensive Statute of its own to regulate its work and jurisdiction. There is nothing in the language of Article 2(7) to preclude any organ of the United Nations from intervening in the domestic affairs of a State, if its authority to do so is derived from a source outside the Charter. All that Article 2(7) says is that the Charter does not, itself, confer any such authority. The International Court, unlike the other organs of the United Nations, acquires no authority to intervene from the Charter, but derives its jurisdiction entirely from the consent of States given outside the Charter.

It was also submitted that the Court should pause long before it endorsed an interpretation (the Persian one) of the Charter which would cause a serious set-back to the progress towards compulsory jurisdiction in all international disputes.

(d) Finally the UK Government submitted that matters which form the subject of general rules of international law or particular treaties cannot be essentially within the domestic jurisdiction of a State and that in this respect the principles laid down in the *Tunis and Morocco Nationalities Decrees* case were applicable to Article 2(7). In this case it was submitted the subject matter was the breach of treaty obligations and also of rules of general international law.

The Persian Government submitted 'that the Court should declare that it lacks jurisdiction *ex officio* in application of Article 2, paragraph 7 of the Charter of the United Nations, the matters dealt with by the Nationalization Laws of 20th March and 1st May 1951, being essentially within the domestic jurisdiction of States and incapable of being the subject of an intervention by any organ of the United Nations'.

Referring to that part of the Article in question which states that 'Nothing in the present Charter shall authorize the United Nations to intervene . . .', the Persian Government contended that: (i) since the Court was one of the organs of the United Nations it was necessarily covered by these words; (ii) since under Article 92 of the UN Charter the Statute of the Court was made an integral part of the Charter, the words 'present Charter' covered and included the Statute of the Court, from which it followed that the provisions of Article 2(7) applied equally to the jurisdiction of the Court.

The Persian Government submitted that the subject matter of the present dispute was the general matter of nationalization as such, that in respect of that matter it was municipal (*i.e.* national) law which predominated and not international law and that consequently the matter (even if the subject of a treaty) fell essentially within domestic jurisdiction and was covered by Article 2(7).

THE UK ACCEPTANCE OF THE 'HARRIMAN FORMULA'

In a Note addressed to Persia on 3rd August 1951 the UK Government stated that they were 'desirous of availing themselves' of 'the Imperial [Persian] Government's formula for negotiations between the Imperial Government and His Majesty's Government' and were 'prepared to

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negotiate in accordance with it. . . .’ At the conclusion of its Note the UK Government stated that it recognized ‘on their own behalf and on that of the Company [the AIOC], the principle of the nationalization of the oil industry in Iran’. The formula referred to had been agreed by the Persian Government as a result of negotiations in which Mr. Averell Harriman, President Truman’s special representative, had assisted. The formula, which is usually known as the ‘Harriman formula’ stated that ‘by the principle of nationalization of the oil industry is meant the proposal . . . confirmed by the law of . . . 20th March 1951’. [See 10.8.51 3a pp.29-30 for texts of the Harriman formula and the UK and Persian Notes of 3rd August 1951.]

The UK Government submitted that the Persian contention in respect of the UK Note of 3rd August 1951 did not relate to the question of jurisdiction and further was ill-founded. This Note had in fact gone no further than to express the UK Government’s offer to accept the *principle* of nationalization of the Persian oil industry as a basis for negotiation and only as a basis for negotiation. To attempt to read more into the wording of this Note than an acceptance of the Harriman formula for negotiations was contrary to common-sense. No-one could believe that the Government of the United Kingdom, after having instituted proceedings in the International Court, in which it contested the legitimacy, from the point of view of international law, of the nationalization of the enterprise of the AIOC, and after having obtained an interim order of protection from the Court to protect that very claim, would then abandon the whole basis of its claim merely for the sake of having negotiations with the Persian Government.

The Persian Government submitted that the UK Government’s applications to the Court in respect of (i) restitution of the AIOC enterprise in Persia to the position as it existed before the nationalization law, and (ii) (if the Court should not decide to order restitution) the payment of compensation in accordance with the principles formulated on a previous occasion by the Permanent Court of International Justice, were inadmissible because the UK Government by its Note of 3rd August abandoned its request for adjudication of the said claims.

Aden Court Injunction on Persian Oil Cargo

The Anglo-Iranian Oil Company on 18th June began a legal action before the Aden Supreme Court, seeking to establish that a cargo of oil loaded by the 632-ton tanker *Rose Mary* in the Persian port of Bandar Mashur is the property of the AIOC.

Replying to a question in the House of Commons on 19th June, Mr. Eden, UK Secretary of State for Foreign Affairs, said that the tanker *Rose Mary* had entered Aden Harbour on 17th June, and immediately after her arrival in port a representative of the AIOC asked the tanker’s master, Captain Jaffrati, to deliver to him the cargo of over 700 tons of crude oil loaded by the *Rose Mary* in Persia, on the grounds that the oil, under the 1933 oil concession convention between the Company and the Persian Government, was the property of the AIOC. Upon the refusal of Captain Jaffrati to deliver the oil, the AIOC began an action in the Aden Supreme Court against the master, the owners and the charterers of the *Rose Mary* to recover the oil cargo. On 19th June the Supreme Court granted to the AIOC an injunction detaining the cargo pending the hearing of the case and ordered the defendants to file a written statement of their case before 16th July.

In a Note to the Persian Government on 22nd December 1951, the UK Government declared that until the Anglo-Persian oil case had been heard

by the International Court of Justice the matter must be regarded as *sub judice*. In the absence therefore of any agreement with the Persian Government as to the operation of the oil industry in South Persia, the UK Government '... do not recognize the Persian Government's legal right to dispose of the oil' [see 10.1.52 lh(1)].

In reply to a question in the House of Commons on 11th June, Mr. Anthony Nutting, Under-Secretary of State for Foreign Affairs, stated that the UK Government regarded the products of the oil industry in South Persia as the property of the AIOC, and that all practical steps would be taken to prevent any attempt on the part of the Persian Government to dispose of this oil in any manner to third parties.

Korea

Mr. Eden on UN Bombing of Power Stations

During the course of a debate in the House of Commons on 25th June, Mr. Eden, UK Secretary of State for Foreign Affairs, replied to questions raised by Mr. Attlee, Leader of the Opposition, concerning the bombing on 23rd June of hydro-electric power stations in North Korea close to the Manchurian border, the timing of this operation, and the degree of consultation with the UK Government by the authorities responsible.

Mr. Eden stated that there had been no change in the UK Government's policy in respect of the Korean campaign. 'It is still our purpose', he said, 'to limit the conflict to Korea; and it is still our policy to do everything in our power to obtain an armistice on fair and reasonable terms.'

With regard to the bombing of 23rd June, Mr. Eden said he now understood it to have consisted in a co-ordinated attack on five power plants in North Korea. Four of them—two at the Changjin reservoir and two at Fusen—were nowhere near the Manchurian border, but the fifth, which was at Suiho, was near the Yalu river. This power plant provided no less than 40 per cent of the hydro-electric power in North Korea. The United States Commander in North Korea referred the question of bombing this plant to Washington and the operation was approved. The UK Government had not been informed or consulted about these operations. Though there was no specific obligation to consult the United Kingdom, Mr. Eden said he thought it was to be regretted that such consultation had not taken place. Now that the decision had been taken, however, the UK Government gave their Allies full support in it.

Military Targets

Mr. Eden said that it must be borne in mind that all these targets lay within Korea itself and were military targets. Very extensive day and night bombing by the UN air forces had been carried out for months against targets such as military supply installations and airfields, as part of a general plan to neutralize the great advantage which had been gained by the Communist forces since the beginning of the armistice talks. This UN air effort was essentially for the security of the UN ground forces. Mr. Eden referred to the great build-up of the Communist forces in Korea during the past year [see 1.5.52 lh(60) and 29.5.52 lh(65)] and said these forces were now in a position to launch an offensive with very little warning. This build-up would have been far greater if it had not been for the raids by the UN air forces, amongst which the bombing of the power-stations was not, in respect of size, unique. Other air raids had been right up to the frontier itself.

Importance of Power Stations in Communist Build-up

Mr. Eden said that four of the power stations were over-run in the UN advance of 18 months ago and they were knocked about at that time. During the prolonged period of the armistice, they had been reconstructed and their military importance hardly needed examination because they supplied electric power to the aerodromes and all forms of military and industrial activity supplying the Communist forces with war production of all kinds. When it was considered that the enemy admittedly outnumbered the UN forces by a considerable margin, and with the UN force's only superiority lying in weapons, it could be seen how important a consideration it was that the industrial potential of North Korea should not be freely at the disposal of the Communist forces. It was quite essential to have electric power for maintaining aircraft, radar defence, work at night, and a host of other activities. From a purely military angle these power stations were perfectly legitimate targets.

Mr. Eden pointed out that the UN forces had not attacked Manchuria, where the bases, the installations and practically all the aerodromes used by the Chinese air forces in Korea were situated. 'It is one thing', he said, 'to respect—as we respect—the territory of Manchuria, despite the warlike preparations and activities that go on there, but it is another thing to guarantee the supply of electrical power to their territory from stations within the battle area.'

Over and above that, he continued, the power stations which have been attacked supplied 40 per cent of the electrical power used in North Korea in support of the Communist war effort. The military argument for dealing with them was doubly strong because they supplied not only the war effort in Korea itself but the aerodromes and other installations in Manchuria which were never themselves attacked.

Manchurian* Border Targets not Attacked

Other no less legitimate military targets, such as dams and bridges, had not been attacked since the opening of the armistice talks, because they straddled the frontier, the Yalu River. None of the power stations attacked on 23rd June were, however, within 1,000 yards of the frontier and all were in Korea.

The Problem of Consultation

Mr. Eden stated that the problem of consultation in all matters relating to Korea had been causing the UK Government some considerable concern. In a certain measure, Mr. Eden said, he thought it was insoluble from the nature of the extraordinary features of the case—the overwhelmingly greater part of the contribution was from one Power, and a number of other Powers were giving smaller contributions of varying sizes. It was necessary to find some way of improving this situation, and this had been one of the objects of the recent visit by the Minister of Defence (Lord Alexander) and the Minister of State (Mr. Selwyn Lloyd) to Tokyo and Korea.

Screening of Kojima Island Prisoners of War

Mr. Selwyn Lloyd, UK Minister of State, said in answer to a question in the House of Commons on 25th June, that he was satisfied from his own personal investigation and from what he had seen in United Nations

prisoner-of-war camps on Koje Island that most prisoners who refused repatriation were prompted by genuine fear of political persecution or physical punishment if they returned to North Korea or China. Mr. Selwyn Lloyd, who had just returned from an official visit made, together with the Minister of Defence, Lord Alexander, to Korea [see 29.5.52 lh(65)], said that Chinese prisoners were carefully screened by 50 Chinese-speaking US officers and men, who had not previously been employed in Koje Island. No Chinese Nationalist interpreters had been used. As there were very few Korean-speaking US officers available, interrogation of Korean prisoners had been conducted through 150 South Korean civilians under the supervision of Korean-speaking US personnel.

The view of most of the prisoners to whom he had spoken was that if they were to return to China they would suffer either physical punishment or be put to death, and that seemed to constitute a desire for political asylum. The suggestion that all prisoners should be re-screened by a neutral authority would, Mr. Selwyn Lloyd said, possibly have a valuable effect on public opinion, in view of the misrepresentation which was made in so many quarters. Whether it would assist in arriving at an armistice was another matter.

Delimitation of Territorial Waters

Further UK Note to Iceland

On 18th June the United Kingdom Government sent a further Note to the Icelandic Government concerning the new Icelandic fishing regulations which came into effect on 15th May. These have the effect of creating round the coast of Iceland a four-mile territorial sea measured from base-lines drawn between promontories, islands and points off the shore, in which trawling and Danish seine-netting by vessels of any nationality, including Icelandic, and all 'other foreign fishing activities' are prohibited.

In a Note of 16th May, the Icelandic Government had declined to alter the regulations, maintaining that the four-mile limit, to which the UK Government had objected in a Note of 2nd May [see 29.5.52 lh(67)], was supported by strong historical considerations and that it was fully justified under international law. The measures, the Note stated, 'the entire Icelandic nation finds to be the minimum protection of the very basis for its own survival'.

Summary of the UK Note

In reply, the UK Note of 18th June recalled that in discussions held in January between M. Olafur Thors and UK representatives, the Icelandic representative had indicated only that his Government would introduce certain regulations and did not reveal that these would be as damaging to long-established British fishing interests as they in fact proved to be. He had given no details as to the contents of the proposed regulations, and had declined to negotiate with a view to reaching agreement on an *ad hoc* line which would, as far as possible, have met the legitimate interests of both sides. The UK Government regretted that the Icelandic Government should have proceeded unilaterally and rejected the UK proposal that the limits should be a subject of agreement between the two countries.

The UK Government maintained their view (a) that the base-line drawn across the Faxaflói could not be said 'to follow the general direction of the coast' in that it by-passed two prominent headlands, and consequently

was not drawn in accordance with international law; and (b) that the principle of the three-mile limit for territorial waters had been part of general international law since the 19th century and that no State was under obligation to accept claims, other than validly established prescriptive claims, made by other States to wider limits. The UK Government observed that the Icelandic Government had been unable to quote any authority from the judgment of the International Court in the Anglo-Norwegian fisheries case, or from any other authority, in support of the view that they were entitled to extend their territorial limits unilaterally.

'In the circumstances', the UK Note concluded, 'Her Majesty's Government, while noting with satisfaction that the Icelandic Government intend to apply the new territorial limits for fisheries purposes only, and while noting also that the restrictions in force do not discriminate against fishing vessels of any particular nation, feel obliged to place on record that they reserve the right to claim compensation from the Icelandic Government for any interference with British fishing vessels in waters, which, in the opinion of Her Majesty's Government, are high seas.'

Aid to Under-developed Countries

United Kingdom Support of UN Specialized Agencies

In the House of Commons on 19th June, Mr. Anthony Nutting, Under-Secretary of State for Foreign Affairs, spoke of the support Britain was giving to the United Nations and its specialized agencies, which could claim 'a record of solid achievement' in their efforts for the removal of poverty, ignorance and disease from the world. Britain's contribution of finance was second only to that of the United States and, per head of population, the largest of any country.

Mr. Nutting gave some figures of the United Kingdom contribution to the major agencies: to the United Nations itself, 10.56 per cent (£1,500,000) of the total budget; to the International Labour Organization, 13.15 per cent (£300,000); to the Food and Agriculture Organization, 15 per cent (£268,000); to the United Nations Educational Scientific and Cultural Organization 11.59 per cent (£347,000); and to the World Health Organization, 10.76 per cent (£300,000).

Mr. Nutting referred to the UK contribution to the United Nations technical assistance programme. Owing to the over-riding need for economy—no greater disservice could be done to the under-developed countries than for Britain and the sterling area to precipitate a financial crisis in their own affairs by trying to do more than they could afford—this was less for 1952 than it had been for the first period of the programme from July 1950 to December 1951 [see 21.2.52 2c(5)]. But the work of technical assistance would not suffer. The fact was that of the \$20 million pledged for the first period only \$7 million had been spent. The balance, together with \$19 million pledged for the second period, made a total of \$32 million to meet proposed expenditure of about \$29 million during 1952.

The UK Government was also determined to do everything possible to help the Arab refugees. For the first year, which began in June 1951, of the relief and resettlement programme being carried out by the United Nations Relief and Works Agency for Palestine Refugees, it had offered up to \$12.4 million [see 21.3.51 3f p.29] and hoped to make a further contribution for the second year.

All this, Mr. Nutting pointed out, was in addition to what Britain was doing, for example, by pledging £300 million to the Colombo Plan, voting £140 million for colonial development and welfare, and helping the Middle East through the Development Division of the British Middle East Office.¹

The UK Government, said Mr. Nutting, was anxious for the best use to be made of these agencies and to that end wished to see them economically administered and efficiently used. 'We also wish to avoid the rather natural . . . tendency of certain of these organizations to over-reach themselves with over-ambitious schemes, which they have not the technical resources or the experience to fulfil. We also want to guard against overlapping and duplication of functions. . . . That is why we have insisted on the utmost economy in expenditure, upon balanced programmes of technical assistance and the maximum co-ordination between each of these agencies. . . . Nothing could do more damage to the reputation of imaginative projects than for them to raise the hopes of perhaps millions of people in the under-developed and under-fed areas of the world only to dash them for want of the wherewithal to follow up and fulfil their promised assistance'.

¹ See also references at 29.5.52 2a (11).

UK Experts and Technical Assistance

Work of the UK Ministry of Labour Special Unit

It is a traditional policy of the United Kingdom to encourage and assist the development of world resources and the expansion of world production and trade, not only by means of financial assistance and the supply of capital goods but by sending British technical, scientific and administrative experts to fill key positions.

Since the end of the second world war the maintenance of this supply of British experts has become increasingly important owing to the reconstruction and development programmes that have been undertaken in many countries, and at the same time increasingly difficult because of the competing demands of expanding production and enlarged research and development programmes within the United Kingdom.

In view of this situation and of the United Kingdom's responsibilities for development within the Commonwealth together with the obligations incurred by participation in the Expanded Programme of Technical Assistance undertaken by the United Nations and its Specialized Agencies, the United Kingdom Government decided in the autumn of 1949 to set up a Special Unit to handle requests for technical assistance from foreign countries and international organizations. This unit forms part of the Employment Services Department of the Ministry of Labour and National Service (see *Britain: a Reference Handbook*, 1952, pp.203-6) but, unlike the rest of the department, it is concerned not with providing personal services to persons seeking senior appointments but with meeting requests to fill particular overseas posts.

The Special Unit is supported by the Technical Personnel Committee [see 24.8.51 p.31], which has appointed a sub-committee to deal with problems arising from its work.

The unit receives and documents requests for technical experts. These requests are either channelled through other departments such as the Foreign Office and Commonwealth Relations Office, or they are sent direct from authorities in the United Nations and the Specialized Agencies with which the unit is in contact. Requests for technical experts are referred in the first instance to the appropriate section of the Technical and Scientific Register or the Appointments Office. If candidates cannot be found, or are unlikely to be available from these sources, special action is taken to obtain assistance from any suitable authority in the United Kingdom. Such authorities may be Government departments or research stations, professional associations, trade associations, the nationalized industries, private firms and individuals, universities, etc. Experts are sometimes made available on secondment, and special arrangements have been made to facilitate this in the case of Government departments, the National Health Service, and the universities.

An important feature of the work of the unit is in establishing the reasons why experts are not as available as is desirable and in advising on the conditions of overseas employment and on the policy of recruitment so as to attract them in greater numbers.

Since the end of 1950, when the United Nations Expanded Programme of Technical Assistance and the Commonwealth Technical Corporation Scheme of the Colombo Plan got under way, over 700 requests have been notified to the Special Unit, and the number of posts filled by British candidates has increased steadily. In recent months, British experts have been appointed in many countries in South and South East Asia, the Middle East, and South America. They include engineers, scientists, statisticians and economists.

OEEC and IMC

Co-operative Action on Raw Materials Problems

The relationship between the Organization for European Economic Co-operation (OEEC) and the International Materials Conference (IMC), and the growth of co-operation between these two bodies, were described in a recent survey prepared by OEEC for the Council of Europe [see 12.6.52 2b(32)].

Functions of the Two Bodies

OEEC is a continuing institution concerned primarily with the general problems of the recovery and expansion of the West European economies and of the economies of its members' overseas territories. IMC, on the other hand, was set up as a temporary body to deal exclusively with problems arising from the scarcity of raw materials and to recommend appropriate action to expand production, increase availabilities, conserve supplies and ensure effective distribution. West European countries form, however, a large part of the total membership of IMC, and both bodies are fundamentally interested in achieving a state of stability in the raw materials market, in the provision of adequate supplies of raw materials and in the equitable allocation of scarce materials.

Measures to Strengthen Co-operation

When IMC was set up early in 1951, OEEC became represented on the Central Group of IMC by its Washington Mission. Co-operation has been extended under a system whereby OEEC lends technical and administrative personnel to the IMC Secretariat. OEEC also helps IMC by providing official documents covering the progress which OEEC has been able to make in Western Europe on such questions as the conservation of materials, end-use controls and the expansion of production. It has frequently been possible for the same experts to attend the conferences of both bodies. More recently, to strengthen co-operation and avoid duplication between the two bodies, OEEC member countries have been invited to transmit to the Secretary-General of the organization copies of basic documents transmitted to the IMC.

For a summary of the first annual report of IMC see 1.5.52 2d(16).

New Pipeline for Iraq

Construction by British Firm

A new 24-inch pipeline 80 miles long is to be laid by the Basrah Petroleum Company from the Zubair oilfield in Southern Iraq to Fao on the Persian Gulf. Exports of petroleum from this field began in December 1951 [see 10.1.52 2d(5)], and the new pipeline will enable production—at the annual rate of over 2 million tons in May—to be increased fourfold. Two additional jetties and ancillary equipment are being installed at Fao.

The contract for the pipe, valued at £900,000, has been placed with the South Durham Steel and Iron Company in the United Kingdom, and

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the target date for completion and delivery is March 1953. Pipe-laying is to begin in May 1953 and to be completed by the end of the year. It will be laid parallel to the existing 12-inch line which now carries oil at the rate of 2 million tons a year to Fao.

Hitherto most large-diameter pipe has come from the United States and, by obtaining this steel pipe in the United Kingdom, the Basrah Petroleum Company will effect a saving of \$2½ million.

For an account of other oil pipelines in Iraq, including the recently opened 30-inch line of the Iraq Petroleum Company to Banias, see 1.5.52 2d(19). In May, two months after the opening of this pipeline, production of crude oil at the Kirkuk field reached nearly 1.4 million tons, double the amount in January and equal to an annual rate of over 16 million tons.

INTERNATIONAL SURVEY

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Visit of Saudi Arabian Minister

HH the Amir Abdullah al Faisal as-Saud, Saudi Arabian Minister of the Interior and of Health, visited the United Kingdom from 2nd to 8th July, as the guest of the UK Government.

The purpose of the Amir Abdullah's visit was to enable him to study something of the workings in the United Kingdom of Departments corresponding to those of which he is in charge. His programme included visits to the Metropolitan Police headquarters at Scotland Yard, Wormwood Scrubs prison and several hospitals, as well as to the Home Office and Ministry of Health.

The Amir Abdullah was the guest of honour at an official dinner given on 2nd July by Mr. Anthony Nutting, Parliamentary Under-Secretary of State for Foreign Affairs, and he was received at the Foreign Office on the following day by Mr. Selwyn Lloyd, the Minister of State, acting on behalf of Mr. Eden who was ill.

HH the Amir Abdullah, who is 30 years of age, is the grandson of HM King Abdul Aziz Ibn Saud and the son of HH the Amir Faisal, Saudi Arabian Foreign Minister, who paid an official visit to London in August 1951 to discuss matters of common interest with the UK Government [see 24.8.51, 2a, p.13].

The close and friendly relations which have existed between the United Kingdom and Saudi Arabia since the liberation of the Arabian Peninsula from Ottoman rule during the first world war are reflected notably in a Treaty signed on 26th December 1915, by which the United Kingdom recognized King Ibn Saud as ruler of the independent Kingdom of Nejd, and in the Treaty of Peace and Friendship signed at Jedda on 20th May 1927.

Anglo-Yugoslav Relations

Cordial Reception for British Naval Visit

Following on the courtesy visit to Split, Yugoslavia, by HMS *Liverpool*, in September, 1951 [see 21.9.51 2a p.21], HMS *Glasgow*, wearing the flag of the Commander-in-Chief, British Mediterranean Fleet, Admiral the Earl Mountbatten of Burma, and accompanied by HMS *Surprise*, visited the Yugoslav ports of Rijeka and Brioni on 25th and 26th June.

During the visit to Rijeka, Admiral Lord Mountbatten visited a shipyard and in the evening entertained about 100 prominent Yugoslav guests, including the Yugoslav Minister of Transport and the Chief of the Naval General Staff, on board HMS *Glasgow*. Meanwhile Lady Mountbatten inspected hospitals, day nurseries and children's institutions with leaders of Yugoslav women's organizations.

On 26th June, on arrival at Brioni, Admiral Lord Mountbatten called on the Prime Minister and Minister of Defence, Marshal Tito, and was later entertained to luncheon by him. Other British guests at the luncheon, and at a subsequent private party on an island off Brioni, included Lady Mountbatten and the British Ambassador to Yugoslavia.

The visit to Brioni closed with a visit of inspection by Marshal Tito, accompanied by Admiral Mate Jercović, Commander-in-Chief of the Yugoslav Navy, to HMS *Glasgow* and HMS *Surprise*.

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Aims and Objectives in SE Asia

UK Commissioner-General's Speech

Mr. Malcolm MacDonald, Commissioner-General for the United Kingdom in South East Asia, speaking in Singapore on 26th June, said that two main objectives commanded the support and allegiance of all the peoples in South-East Asia: political independence and its consolidation; and economic progress. The British Commonwealth and the United States had given unqualified support to both. India, Pakistan, Burma, and Ceylon had gained their independence and the Commonwealth's Colombo plan, the US Point Four programme, and technical aid generally, were helping the Asian peoples to improve their standards of living.

South-East Asia was important politically, economically, and strategically for the Communist countries as well as the West, but Russia wanted to control the region and was therefore opposed to the twin objectives of independence and economic progress. She wanted disruption instead of development, because she could hope to win control only by violence. That was why the Communist insurgents of Malaya, Indo-China, and Burma had declared their illegal wars against the will of the people.

No country in South-East Asia however, would willingly accept a Communist regime and Communism could win control only by military invasion, infiltration, or by a combination of invasion and a locally engineered *coup d'état*.

Throughout South-East Asia, Mr. MacDonald said, military forces would have to be used to the utmost to defeat Communism, but the economic objective must never be overlooked, if only because the people demanded better living conditions. The West had already proved itself the political ally of South East Asia, but it must ensure that the major industries, such as rubber, on which the economic well-being of the region depended, were kept in a healthy state of production.

THE OFFICE OF THE UK COMMISSIONER-GENERAL

On 27th February 1952, Mr. Oliver Lyttelton, UK Secretary of State for the Colonies, in answer to a question in the House of Commons said:

'The Commissioner-General is Her Majesty's Principal Representative in the Colonial and Protected territories in South-East Asia. He does not exercise any executive or administrative functions within these territories, but it is his duty to promote co-ordination of policy and administration between their Governments.

'For this purpose he may convene conferences of the Governors and High Commissioners. He is required to advise the Secretary of State from time to time on the question of closer political co-operation between these territories. He represents the civil and political interests of the territories (as well as of Hong Kong) on the British Defence Co-ordination Committee, of which he is Chairman. In the sphere of defence—that is to say, the external defence of South-East Asia as a whole, he thus has special responsibilities.

'In the field of foreign affairs the Commissioner-General holds the personal rank of Ambassador, and in consultation with Her Majesty's representatives in the foreign countries of South-East Asia, is responsible for advising Her Majesty's Government on general problems of foreign policy in the area.'

Mr. Malcolm MacDonald was appointed Commissioner-General in 1948. His term of office, which was due to expire in May 1952, was extended for a further unspecified period

Bacteriological Warfare Charges

Soviet Union Vetoes Red Cross Investigation

On 3rd June the Soviet delegate to the United Nations Security Council vetoed a US proposal that Communist charges against the UN Command in Korea of engaging in bacteriological warfare should be investigated by the International Red Cross with the aid of scientists. The voting was 10 in favour to 1 (USSR) against. The Soviet delegate had refused to take part in the discussions on this resolution after the Council had rejected on 1st June a Soviet proposal for Communist Chinese and Korean representatives to be present at the debate. Earlier he had condemned 'the sending out of so-called impartial investigators on the spot', which he maintained was a device of the United States for 'sending their agents into foreign territory for purposes of intelligence'.

Further Resolution Vetoed

On 3rd July a further resolution was put forward by the US delegate as follows:

'The Security Council:

Noting the concerted dissemination by certain Governments and authorities of grave accusations charging the use of bacteriological warfare by United Nations forces;

Recalling that when the charges were first made the Unified Command for Korea immediately denied the charges and requested that an impartial investigation be made of them;

Noting that the Chinese Communist and North Korean authorities failed to accept an offer by the International Committee of the Red Cross to carry out such an investigation but continued to give circulation to the charges;

Noting that the World Health Organization offered to assist in combating any epidemics in North Korea and China, and that the Unified Command for Korea agreed to co-operate;

Noting with regret that the Chinese Communist and North Korean authorities rejected the offer and refused to permit the entry of the World Health Organization teams into territories controlled by these authorities;

Noting that the Government of the Union of Soviet Socialist Republics has, in the United Nations, repeated the charges that United Nations forces were engaging in bacteriological warfare;

Noting that the draft resolution submitted by the Government of the United States proposing an impartial investigation of these charges by the International Committee of the Red Cross was rejected by the Union of Soviet Socialist Republics, and that by reason of the negative vote of the Union of Soviet Socialist Republics, the Security Council was prevented from arranging for such an impartial investigation;

Concludes, from the refusal of those Governments and authorities making the charges to permit impartial investigation, that these charges must be presumed to be without substance and false;

Condemns the practice of fabricating and disseminating such false charges, which increases tension among nations and which is

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designed to undermine the efforts of the United Nations to combat aggression in Korea and the support of the people of the world for these efforts.'

The Soviet delegate again used the veto, the voting being nine in favour, one (USSR) against, and one abstention. The Pakistan delegate explained that he was abstaining because he believed that the Council should maintain its judicial approach to the question and should not adopt a resolution which assumed that the charges were false before it had been possible to establish beyond doubt that this was so. He greatly regretted the Soviet refusal to allow an impartial investigation.

SOVIET ATTITUDE CONDEMNED BY COUNCIL MEMBERS

During the debate other members of the Security Council condemned the Soviet attitude.

Brazilian, Netherlands, Greek and French Statements

M. Muniz (Brazil) pointed out that M. Malik clung to his rights to prefer charges against any government, no matter how unwarranted those charges might be, but he refused to the Security Council the right to investigate the charges. M. Muniz added that this need occasion no surprise. 'Being thoroughly conversant with the techniques and motives of Soviet propaganda, M. Malik is perhaps the last man in the world likely to prove gullible as regards such charges. It would be an insult to M. Malik's cleverness and intelligence to admit even for a moment that he has any doubts as to the outcome of an impartial investigation'.

M. von Balluseck (Netherlands) said that if the Communist Governments refused to co-operate with an investigating commission they would merely admit the extreme feebleness of their case or the non-existence of any case at all. The campaign of slander and hatred, he said, 'has to serve a political purpose. It wants to create confusion and division in the free world. It wants to stir up anti-Western feeling in Asia. It wants to cover up the hygienic shortcomings of Asiatic Communist Governments. It wants to whip the Communist masses into a frenzy of hostile feelings which some day perhaps may be exploited for aggressive purposes'.

M. Kyrou (Greece) pointed out that during the third session of the General Assembly in 1948, the Soviet delegation itself lent its unqualified support to a resolution under which the International Red Cross were to play the principal role in the repatriation of Greek children, and even recently the Committee had received appeals from the Red Cross Societies in Roumania, Poland and Hungary. But when, on a request by the Unified Command in Korea, the Committee offered 'to set up a committee of persons who will offer every guarantee of moral and scientific independence which could be offered by experts who have the highest qualifications, especially in epidemiology, including scientific experts proposed by Far Eastern countries not taking part in the conflict', the Soviet Government somewhat belatedly discovered that the Committee was a mere tool of Western diplomacy.

M. Hoppenot (France) dealt with the Soviet statement of 'its general and all-embracing disapproval, not only of the International Red Cross but of any commission appointed by the United Nations to conduct such an enquiry'. M. Hoppenot added: 'I must say that this assertion leaves me speechless'. Never had the pretensions of the Soviet Union and its satellites to make themselves both the parties to the case and the judges been so crudely and cynically expressed.

UK Statement

Sir Gladwyn Jebb (UK) said that if the Soviet argument were followed to its logical conclusion, 'as I think we must', it must mean that no enquiry could be impartial, in the Soviet sense of the word, unless it were conducted by persons known to be prepared to subject their independence to the dictates of Soviet Communism. 'This is of course, precisely what M. Malik does mean. He himself referred to the enquiries already made by such bodies as the International Association of Democratic Lawyers' [see R.2232, *Guide to International Organizations*, Part 2]. 'A body of this sort is, of course, impartial in the eyes of the Soviet Union since it contains nobody who would dare to question any statement emanating from the Kremlin'.

Dealing with the other Soviet argument, Sir Gladwyn recalled that M. Malik had said: 'the facts are clearly set forth in the statements of the Governments of the People's Republic of China and the People's Democratic Republic of Korea'; and a little later: 'the USSR delegation continues to think that it is impossible to consider the question in the Security Council in the absence of the Chinese and Korean representatives because the Council will be able to ascertain the true facts only with their participation'. The moral, Sir Gladwyn said, was only too clear—if these representatives came to the table, 'we should simply be treated to a repetition of these so-called facts'. What was required was an impartial investigation at the place and in the area where bacteriological weapons were said to have been used.

This was a case of slander and libel on an international scale and the onus of proving the truth rested squarely on the USSR, but M. Malik had now made it quite clear that the Soviet Union would not even attempt to bring any adequate proof of the charges and had hinted that he would 'veto the only means by which their truth or falsity can be established'. The conclusion was inescapable. 'The charges are false and the Soviet Union knows them to be false. They are being put forward partly to foster the hate campaign now raging in the Soviet Union and thus to maintain the morale of the population, and partly with the object of implanting suspicion in the minds of weak-minded persons in the free world itself. Since, therefore, the Soviet Union Government is apparently impervious to reason, there is really nothing much that the free world, faced with this appalling manifestation of Soviet mentality, can do except to close its ranks and, as a first step, to go on record as demanding an impartial enquiry.'

If the resolution were vetoed, Sir Gladwyn went on, 'we shall all have to consider very seriously what to do next. But is it really necessary for M. Malik to provoke such a situation? Since he made his last speech, he has no doubt been aware of, even if he has not actually listened to, a series of eloquent speeches which in varying tones all expressed sheer incredulity that a great nation, which has seen fit to make these grave and horrible charges, should actually refuse to have them investigated by any impartial body worthy of the name. I have no doubt whatever that basically this attitude is shared by all Governments who are not actually under the domination of Moscow. Indeed, I have no doubt at all that if there is such a thing as world public opinion it has been reflected in the speeches which nearly all my colleagues around this table have now made. Confronted with such a spontaneous and widespread outburst of indignation, is it not even now possible that the Soviet Union Government will stop, look and listen—and more particularly listen? Is it not conceivable that they will think twice before digging any further the ditch which they have constructed between themselves and the non-Communist world?'

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US STATEMENT ON SOVIET PROPAGANDA CAMPAIGN

On 1st July Mr. Gross (US) recounted the history of the Soviet propaganda campaign on bacteriological warfare. He said that another objective of the Soviet Union Government in this campaign was to isolate the free world from the United States. 'They try to do this by singling us out for special condemnation. This is why the people of the free world should, for their own security, take a cold hard look at the facts. . . . I shall refer to facts and the Soviet Union representative cannot veto facts.' In 1951, during the period of Communist military setbacks in Korea, a minor campaign alleging the use of bacteriological weapons by the United Nations forces in Korea was launched on 22nd March by an item on the Peiping radio, immediately picked up by *Pravda*, reporting that the United Nations Command was engaged in the production of bacterial weapons for Korea. In March and April of 1951 there were other brief mentions preparatory to a major charge on 30th April. *Pravda* repeated the false charge on 5th May and then on 8th May, the North Koreans sent an official protest to the United Nations. But this campaign soon died out except in North Korea, 'which had to justify a breakdown of sanitation and medical facilities and a smallpox epidemic'.

The present campaign, Mr. Gross said, had been gaining momentum since 23rd February, when the official Moscow Press repeated a Peiping radio broadcast charging that United Nations aircraft had dropped germs on North Korea. 'There followed protests by the North Korean and Chinese Communist Foreign Ministers, a sharp increase in Soviet press and radio comment, denunciations by the Soviet-controlled World Peace Council, and staged mass meetings of protest in the Soviet Union. My Government and the United Nations Command realized that the charges aired in February 1952 portended a world-wide campaign of far greater scope than the sniping character of previous germ warfare charges. On 4th March the Secretary of State of the United States therefore said: "I would . . . like to state categorically and unequivocally that these charges are entirely false; the United Nations forces have not used, and are not using, any sort of bacteriological warfare".'

Similar denials were made by the Secretary-General of the United Nations, by the United Nations Commander-in-Chief, by the Secretary of Defence of the United States, and by numerous other responsible officials of other United Nations Members, including those contributing forces to the repulsion of aggression in Korea. As soon as the campaign was launched, the Secretary of State on 11th March requested the International Committee of the Red Cross, as a disinterested, international body, to determine the facts.

The Secretary of State emphasized the need for an investigation on both sides of the battle lines in Korea, and an invitation was issued to the Red Cross investigators to cover the areas behind the United Nations lines. The International Committee of the Red Cross agreed to set up a committee to make such an investigation, provided both parties agreed to it and offered their co-operation, and the Secretary of State at once accepted the offer. Mr. Gross went on: 'The Communists have yet to give the International Committee of the Red Cross an official and definite answer. However, the Soviet-controlled propaganda machines all over the world at once began a drive to blacken the character of the International Committee of the Red Cross', although only five days before the Soviet Union Government denounced the International Committee of the Red Cross as a tool of the 'imperialists', the Communist newspaper in Paris, *Humanité*, itself suggested the possibility of a Red Cross investigation. Moreover, on 6th March 1952, the Roumanian Red Cross petitioned the International

Committee of the Red Cross to make urgent approaches to the United States Government and the United Nations to the end that immediate measures would be taken to stop the alleged use of germ weapons in Korea, and the Polish and Hungarian Red Cross societies in February of this year made similar appeals and addressed similar petitions to the International Committee of the Red Cross. The Red Cross of Communist China itself, in 1951, addressed appeals to the International Committee of the Red Cross—the very organization which it now began to assault ‘and seeks to undermine.’ Then suddenly, Mr. Gross said, the Soviet propaganda apparatus went hurriedly into reverse gear and the International Committee of the Red Cross became overnight an alleged ‘tool of Wall Street.’

On 13th March the formation was announced in China of an ‘investigation commission’ carefully selected from among Chinese Communists to ensure its partiality. Before it began its work, its Chairman announced that its purpose was ‘to gather the various criminal facts on bacteriological warfare waged by the American imperialists’.

On 14th March the Soviet Union representative, M. Malik, enlarged the scope of the campaign by introducing the charges of germ warfare in the UN Disarmament Commission [see 26.6.52 Id(19)].

Another ‘investigation’ was staged by the International Association of Democratic Lawyers, which was sent out, according to *Pravda* on 4th March, ‘in order to investigate and establish the crimes committed by the interventionists in Korea, in violation of all international agreements’. This commission was made up of Communist sympathisers, although its chairman, Herr Brandweiner, was a former Nazi, as was another member, Dr. Melsheimer.

‘All the familiar elements of Soviet Union propaganda are present in this campaign’, Mr. Gross said. ‘The linking of alleged Japanese bacterial warfare experiments with the United States, the charges of so-called “war criminals” and the demand for trials, the accusations of violating the Geneva Protocol and the Red Cross conventions, the so-called “eye-witness accounts”, the so-called “confessions” of United States prisoners of war who suddenly began talking in the stereotyped expressions of Marxism, the so-called “scientific” evidence revealing the unnatural appearance of bugs out of season in unusual places, the allegedly “impartial” investigations by puppet groups, the hollow protests organized on a world-scale by Communist-front organizations.’

At the meeting of the Soviet Union-controlled World Peace Council Executive Committee in Oslo, Norway, on 29th March to 1st April the signal was given, Mr. Gross said, ‘to open the major phase of the germ warfare campaign throughout the non-Communist world. . . . From April to the present time the so-called “peace partisans” have danced to the Kremlin tune. In each country . . . they have gone through virtually the same act: a national meeting, a series of local meetings, pamphlets, posters, petitions, rumours, statements by other front organizations, doctors, scientists, lawyers, and so forth; all the familiar Communist fronts . . . have been dragged out to support the germ warfare campaign. . . . The parallel tactics of these so-called “peace partisans”, and the repetition by Communist newspapers throughout the world of stories and propaganda material first emanating from Moscow make clear the high degree of co-ordination and planning exercised by Moscow in the germ warfare campaign. . . . The official Soviet Union Press and radio organs set the tone for the world-wide campaign of venom and hate.’ Typical was a recent statement in *Pravda*, the official organ of the Soviet

Union Communist Party, on 7th June 1952: 'The ideologues of American imperialism call for a halt in the growth of the population in all countries, except the USA, and more killing of the living by wars, hunger and epidemics. And this isn't just a "theory" of the cannibals. Their whole practice corresponds entirely to the cannibalistic ideology.'

'The American cannibals are walking in the footsteps of the Hitlerite plunderers. In Korea they have killed hundreds of thousands of the peaceful inhabitants, including 300,000 children. Unleashing germ and chemical war, the American interventionists have the wicked aim of making Korea a desert land, uninhabited.'

These accusations were reiterated by the Soviet representative in the Disarmament Commission on 9th April 1952 in similar terms.

A few days later Peiping announced so-called "confessions" of two United States fliers. These, Mr. Gross said, 'were dictated, if not written, by someone obviously unfamiliar with the English language. For example, a photostat of a handwritten document called a "confession" was published in the Paris newspaper *Ce Soir* on 13th June. The title of the letter reads: "How I was forced to take part in bacteriological warfare by the US Wall Street". The last line of the photostat letter reads: "I was blamed by my conscience and good will for the crimes." No American would use these forms of speech. There are in these documents other expressions typical of the Communist propaganda line which we have heard so often from the Soviet Union representative in the Security Council. . . .'

Mr. Gross said that he had not hesitated to 'repeat and re-broadcast these lies, these slanders, from Soviet Union papers because of my confidence and certainty that no one free to think for himself would give them any credence. But the extraordinarily clumsy nature of these attempts to fabricate evidence seems to me to reveal the Soviet Union's contempt for the common sense of free men. . . . In the original Communist broadcasts, each alleged incident was described in detail . . . the charge is that germs were carried and spread by a variety of germ-carriers which would surely enrich any museum of natural history. Among the infected articles . . . are cotton, corn leaves, oak leaves, chicken, duck and goose feathers, white cloth containing white crystals and yellow cloth bearing a yellow powder, a viscous liquid not otherwise identified, infected dust, biscuits, pork, leaflets, meat, straw, cigarettes, bales of cotton, glass hair-pins filled with germs, toy snakes carrying germs, soap, paper, envelopes, medical goods, ornaments, confectionery, toilet goods'.

Independent scientists, Mr. Gross added, including at least ten Nobel prize winners, had publicly expressed complete scepticism of the charges, and the Chief United Nations Public Health Officer in Korea had recalled the work which the United Nations had done in combatting disease in the Republic of Korea. He said: 'eighteen million people were vaccinated against typhoid, 16 million against typhus, 15 million against smallpox, and 2 million against cholera. All this resulted in the decrease of victims of these epidemics from 15 thousand or 30 thousand a month to 40 to a month.'

When the World Health Organization offered on 26th March to provide technical assistance in controlling the reported epidemics in North Korea [see 3.4.52 1h(50)], the offer of assistance was rejected by the Korean and Chinese Communist authorities.

Indo-China

Joint Consultations on Defence in Washington

Talks were held in Washington from 16th to 18th June on political and military problems in Indo-China between M. Letourneau, Minister of State in charge of French relations with Cambodia, Laos and Viet Nam, the Ambassadors in Washington of Cambodia and Viet Nam and officials from US Government Departments including the Departments of State and Defence.

A joint communiqué issued after the conclusion of the talks stated that 'the principle which governed this frank and detailed exchange of views and information was the common recognition that the struggle in which the forces of the French Union and the Associated States are engaged against the forces of Communist aggression in Indo-China is an integral part of the world-wide resistance by the Free Nations to Communist attempts at conquest and subversion'.¹

'There was unanimous satisfaction over the vigorous and successful course of military operations, in spite of the continuous comfort and aid received by the Communist forces of the Viet-Minh from Communist China. The excellent performance of the Associated States' forces in battle was found to be a source of particular encouragement'. Special tribute was paid to the 52,000 officers and men of the armies of the French Union and the associate States who had been lost in the six years' struggle for freedom in South-East Asia and to the 75,000 other casualties.

Increases in US Aid to Indo-China Area

The communiqué recognized that, in the common struggle, while the United States had assumed a large share of the burden in Korea, France had the primary role in the area of Indo-China. 'The partners, however', the communiqué stated, 'recognize the obligation to help each other in their areas of primary responsibility to the extent of their capabilities and within the limitations imposed by their global obligations as well as by the requirements in their own areas of special responsibility. It was agreed that success in this continuing struggle would entail an increase in the common effort and that the United States for its part will, therefore, within the limitations set by Congress, take steps to expand its aid to the French Union. It was further agreed that this increased assistance over and above present United States aid for Indo-China, which now approximates one third of the total cost of Indo-China operations, would be especially devoted to assisting France in the building of the national armies of the Associated States'.

M. Letourneau reviewed the facts demonstrating the determination of each of the associate States of the Indo-China area 'to pursue with increased energy the strengthening of their authority and integrity both against internal subversion and against external aggression'.

Finally, the conversations 'reaffirmed the common determination of the participants to prosecute the defence of Indo-China, and their confidence in a free, peaceful and prosperous future for Cambodia, Laos and Viet Nam'.

¹Speaking in London on 4th July, the US Ambassador in London, Mr. Walter Gifford, said: 'The free world, united as never before in history, is holding the line of freedom against Communist aggression in Korea, as the British are holding it in Malaya and as the French are holding it in Indo-China'.

Mr. Acheson, US Secretary of State, said at a Press conference on 18th June that the military situation in Indo-China appeared to be developing favourably. The United States was aware of the vital importance of the struggle in Indo-China for the cause of the free world.

PREVIOUS DEVELOPMENTS

After the formal establishment on 2nd February 1950 of the independent States of Cambodia, Laos and Viet Nam [see 17.4.52 1h(3-4)] military aid conventions were signed in December 1950 between the US Government and each of the associate States in accordance with which the national armies of the three States and the army of the French Union in the Indo-China area received modern arms and equipment from the United States. Following a visit to Washington by the late Marshal de Lattre de Tassigny, the Commander in Chief of French Union forces in Indo-China, in September 1951, the Governments of France and the United States recorded their 'complete agreement that the successful defence of Indo-China is of great importance in the defence of South East Asia'.

On 9th April, Lord Reading, UK Parliamentary Under-Secretary of State for Foreign Affairs, paid tribute in the House of Lords to the contributions made by France in the area of Indo-China as her share of the obligations of mutual defence assumed as a member of the French Union [see 17.4.52 1h(3)]. A statement on the attitude of the UK Government in the face of any direct Communist aggression against Indo-China was made by Mr. Eden, UK Foreign Secretary, on 30th April [see 1.5.52 1e(5)].

Pacific Security Treaty Council

First Meeting to be Held

It was announced on 30th June, in Canberra, Wellington and Washington that the first meeting of the Pacific Council created by the tripartite Security Treaty between Australia, New Zealand and the United States, would be held in Honolulu (Hawaii) during the first week in August, 1952.

Article VII of the Security Treaty, which was signed on 1st September 1951, [see 7.9.51 2e p.23], and which came into effect (upon completion of ratification) on 29th April, 1952, established a Council of the Foreign Ministers of the three signatory Powers (or their deputies) 'to consider matters concerning the implementation of this Treaty.' [See 13.7.51 2e pp.11-12 for summary of other provisions of the Treaty].

Aircraft Production in Europe

US Support for NATO Plans

On 9th July the United States Defence Department announced its approval in principle of proposals put forward by NATO for the co-ordinated production of aircraft in Europe for NATO countries. These proposals would 'go far towards meeting present NATO deficiencies of combat aircraft and would strengthen the aircraft production base in Europe'. The programme, the Department said, called for additional aircraft production costing between \$250 million and \$500 million and it was recommended that the United States should provide about a half of these funds. This the United States would do, 'provided similar favourable action is taken by other Governments'. But its approval did not include any US commitments regarding deliveries of scarce tools and materials to countries producing aircraft under the programme. Moreover, final action would not be taken until after careful study of such considerations as quality, delivery schedules, and prices.

The money the United States will spend in this way, if final action on the proposals is taken, will be part of the off-shore military procurement—that is, military purchases made on behalf of one NATO country from another and paid for out of US aid funds—which the United States has developed as one way of contributing to a more efficient use of Western Europe's resources and broadening its basis of defence production. In the UK House of Commons on 9th July the Parliamentary Secretary to the Ministry of Defence, Mr. Nigel Birch, said that orders already placed in the United Kingdom by the US Government for defence equipment amounted to over £20 million (\$56 million). Discussions were proceeding and it was expected that further substantial orders would be placed.

North Atlantic Treaty Organization

Lord Ismay to Visit Denmark and Norway

At the invitation of the Danish and Norwegian Governments, Lord Ismay, Vice-Chairman of the North Atlantic Council and Secretary-General of NATO, will visit Denmark and Norway during the period from 17th to 22nd July.

On 18th July, Lord Ismay, who will be accompanied by Lady Ismay, will be received by His Royal Highness Prince Knud, Heir to the Danish throne, who is acting as Regent during the absence of the King of Denmark. He will have discussions with the Danish Minister for Foreign Affairs, Hr. Kraft, and with Hr. Petersen, the Minister of Defence.

During his stay in Norway, Lord Ismay will meet Hr. Torp, the Prime Minister, Hr. Lange, the Norwegian Minister for Foreign Affairs, and Hr. Langhelle, the Defence Minister.

General Ridgway's Visit to London

General Ridgway, Supreme Allied Commander, Europe, accompanied by Mrs. Ridgway, paid a visit to London from 9th to 11th July. On the first day he lunched with Lord Alexander, UK Minister of Defence and the Ministers and heads of the three fighting services, and then went to a

meeting of the UK Chiefs of Staff. On 10th July, General and Mrs. Ridgway were received by the Queen. In the afternoon, General Ridgway met Mr. Selwyn Lloyd, Minister of State, Foreign Affairs, and dined later with Mr. Churchill.

The Objective of NATO

At a Press conference General Ridgway said that 'the objective of NATO is the maintenance of our liberties in an atmosphere of honourable peace'. It was completely free of any aggressive intention against any nation on earth.

During his present tour of Western Europe he had been investigating the problems confronting NATO, most of which were not purely military, but were bound up with financial, social, and political questions. In London his talks with the British Chiefs of Staff had included discussions on the Mediterranean Command and the defence of the Middle East in their military aspects; no decisions or conclusions had been reached.

Relations with British Commanders

General Ridgway said it had been his good fortune to serve under British commanders in the last war, and to have some of the finest of British units under his own command. He had a lasting admiration for these soldiers, who personified the fortitude and gallantry that had characterized British arms through the centuries.

Categorical Denial of Germ Warfare Allegations

Questioned about allegations that he had sanctioned the use of bacteriological warfare in Korea [see 1d in this issue] General Ridgway replied: 'No element of the United Nations Command has employed germ warfare at any time, in any form whatever. The allegations are false from start to finish and are a complete fabrication'. Alleged statements by American prisoners in enemy hands must be assumed to have emanated from Communist sources.

Air Exercise 'June Primer'

During air exercise 'June Primer' [see 26.6.52 lf(77)] organized by Allied Air Forces, Central Europe, which ended on 27th June, and in which over 700 UK, US, French, Belgian and Netherlands aircraft of the Second and Fourth Allied Tactical Air Forces [see 1.5.52 lf(63)] took part, a total of over 2,700 sorties were flown.

The opposing air forces of Redland (Western Germany) and Blueland (France, the Netherlands, and Belgium) made repeated raids on each other while both were also defending themselves against the White Air Force, flying from the United Kingdom.

The RAF Flying Training Command and the United States Strategic Air Command took part in six big sweeps from the United Kingdom, across Redland and Blueland. It is reported that the rate of interception was good, indicating improvement in the radar network and in communications.

Foreign Ministers' Meetings

Talks between Mr. Eden and Mr. Acheson

Conversations between Mr. Eden, United Kingdom Foreign Secretary, and Mr. Acheson, United States Secretary of State, on the general international situation took place during a visit to London by Mr. Acheson from 24th to 28th June. On 24th June discussions were on the situation in Europe and the Middle East. Mr. Acheson also attended the final session of a Conference of British Ambassadors and Ministers from the Middle East, which had been meeting since 20th June. On the following day Mr. Acheson went to Oxford, where he received an honorary Doctorate of Civil Law. Talks with Mr. Eden were resumed on 26th June. A brief communiqué issued afterwards stated that the two Ministers had 'discussed the position in South-East Asia and Korea, including the question of liaison in connection with operations in Korea' [see 1h in this issue].

Tripartite Conversations

On 27th June, Mr. Eden and Mr. Acheson were joined by M. Schuman, French Foreign Minister, and, in the afternoon session, also by M. Letourneau, Minister of State in charge of French relations with the Associate States and High Commissioner to Cambodia, Laos and Viet Nam. [For a summary of a communiqué issued after talks between M. Letourneau and representatives of the United States, Cambodia and Viet Nam, in Washington, see 1e in this issue].

A communiqué issued after the meetings stated that the discussions covered a number of topics concerning Europe, Korea and South-East Asia, including a review of developments in those areas since the last meeting of the Ministers in Paris last May. The Ministers 'reaffirmed their agreement on the necessity for close co-operation and consultation in regard both to Korea and South-East Asia, and considered means to ensure this. The three Ministers considered the draft reply to the Soviet Note prepared by the Washington drafting groups. They reached agreement on the substance of the reply which will now be put in final form'. [For the text of the Western Note to the USSR on Germany, see 1i in this issue].

Korea

Consultation on UN Policy

The UK House of Commons on 1st July debated Far Eastern questions on an Opposition motion of censure which stated that, while acknowledging the major share of the burden of repelling aggression in Korea which has been borne by the United States, it was to be regretted that the UK Government had failed to secure effective consultation prior to recent developments and air operations, and that 'improved arrangements should now be made to enable such consultation to take place between the governments principally concerned on issues of United Nations policy in the Far East'.

The Opposition motion was rejected at the conclusion of the debate by 300 votes to 270.

PRIME MINISTER'S SPEECH

Speaking against the motion in the course of the debate, the Prime Minister, Mr. Winston Churchill, referred to the charge (in the Opposition motion) that there had been insufficient consultation between the US and UK Governments during recent operations, particularly prior to the bombing of power plants in North Korea [see 26.6.52 1h (83-84)].

Mr. Churchill said the power stations that had been attacked were vital targets and it had been necessary to choose the middle of June for the attack so that it could be carried out before the heavy cloudy weather of the monsoon period (July and August) set in.

Owing to the fact that one of the targets lay close to the frontier and supplied electric power to Manchuria, the attack 'certainly raised a matter of principle and was not, in my view, a decision of military routine'. With regard to the question of why the UK Government were not given prior information of this operation, Mr. Churchill quoted a statement made by the US Secretary of State to a British audience in London on 26th June in which Mr. Acheson had said: 'One question you would ask is: shouldn't the British Government have been informed or consulted about this? To that, my answer would be yes: it should have been; indeed, it was our intention to do it. It is only as the result of what in the United States is known as a "snafu"¹ that you were not consulted about it.

'If you ask me whether you have an absolute right to be consulted, I should say no, but I don't want to argue about absolute right. What I want to say is that you are a partner of ours in this operation and we wanted to consult you; we should have, and we recognize an error'.

This, Mr. Churchill said, was a frank and generous statement. The UK Minister of Defence, Lord Alexander, had not been informed of the projected operation while he was in Tokyo because the UN Commander, General Clark, had not himself known at that time that the power plants were to be bombed.

Referring to Mr. Selwyn Lloyd's announcement that the US Government had agreed to the appointment of a British Commonwealth representative on General Clark's staff in Korea [see p.22 this issue], Mr. Churchill said that the question of consultation was not as simple as it looked. 'Fifteen other nations are represented in the United Nations Army and military

¹'Snafu' (situation normal, all fouled up) e.g. a misunderstanding in which each of a number of persons thinks some other person is taking some necessary action.

operations can hardly be conducted in a babel of conflicting voices'. There were difficulties involved in the various proposals which had been made to strengthen the representation of the United Nations while one country, the United States, was performing the vast preponderance of the toil.¹ A number of other questions were also dealt with by Mr. Churchill in the course of his speech.

Prisoners of War

The Prime Minister said that the questionnaires put to prisoners of war by the UN authorities during the screening process had been very severe. 'They were designed', he said, 'to persuade prisoners, almost to coerce them; to choose to be sent back to Communist China or North Korea by warning them that their families might well be made to suffer, and that the United Nations could offer them no future maintenance or employment. How can we be accused of wishing to prolong the truce negotiations?' Mr. Churchill said that to force an anti-Communist prisoner of war, in spite of his threat to commit suicide, to go back to Communist China or North Korea would be 'inhuman and dishonourable'. This view had been simultaneously expressed by the US Government and approved by all parties in the House of Commons.

He drew particular attention to the refusal of no less than 16,000, out of the total of 20,000, Chinese prisoners to go back to China. It had been maintained that these Chinese prisoners were not ordinary Chinese soldiers but 'volunteers' who had 'plunged forth to the rescue of South Korea from American imperialism'. Yet '16,000 out of 20,000', he said, 'would rather die than go back'. Communist allegations that these men had been coerced into changing their political convictions could have been checked if the UN offers of full screening of prisoners by the Red Cross or other impartial body had been accepted. But the Communist Commands had refused the offers because 'they know quite well they would not get the answer they want . . .' [See also p.20].

Diplomatic Recognition of China

The Prime Minister said he had advocated the recognition of the Chinese People's Government in November 1949. [Recognition was accorded *de jure* by the United Kingdom on 6th January 1950]. But 'if you recognize anyone it does not mean you like him.' Diplomatic relations were needed just at the time when things were disagreeable between countries. The Chinese, he said, 'have in no way responded to our diplomatic gesture, and have, on the contrary, treated us with scorn and have shed the blood of our own soldiers and that of our Allies'. The UK Government had continued to accord diplomatic recognition, he said, but would not 'make it a major effort of policy to persuade the United States, with their 20,000 dead, to do the same while the fighting is actually going on.'

UK White Paper on Developments in POW Camps

A UK Government White Paper (Korea No. 1, 1952, Cmd. 8596) issued on 1st July gave a full account of developments since 1950 in UN prisoner of war camps situated in the Republic of Korea.

The UN Command, the White Paper stated, had originally planned to accommodate all prisoners on the island of Koje off the south coast

¹Mr. Churchill had earlier in the debate said that during the past 12 months the US forces had had 32,000 casualties and had been spending £4½ million a day (over and above the ordinary upkeep of their troops) as against British casualties of 1,200 during the same period and extraordinary expenditure by the UK Government of £50,000 a day.

of Korea in the vicinity of Pusan, and camps were built on the island to accommodate about 12,500 prisoners of war. In the course of the advance of the UN forces in the late autumn of 1950 large numbers of prisoners were captured.

These were sent south to Koje, where they arrived at a time when the United Nations forces themselves were suffering military reverses. Camps built to house 12,500 had to be rapidly expanded, and other improvised arrangements had to be made to accommodate a total of about 170,000 prisoners at a time when all available troops were required at the front. In order to keep the number of guards to a minimum, the camps were made larger than was desirable, and in the spring of 1951 contained too many prisoners for effective control to be exercised. The spring offensive of 1951 made it difficult to remedy this situation, and the opening of the truce talks in July, 1951, gave rise to the belief that the camps would not be required much longer. Up to this time the prisoners had been reasonably co-operative, though it was known that, owing to the shortage of guards, they were more crowded than was desirable, that the camps contained larger numbers than was safe from the point of view of exercising control, and that the prisoners could not be kept fully employed.

In July and August 1951 there was a mass attempt at escape and an attack on UN personnel, both of which resulted in casualties amongst the prisoners of war. There had for some time been collusion between prisoners in different compounds and communication between them and even with Communist agents outside the camps. In September 1951 Communist leaders within the compounds carried on systematic campaigns of intimidation and violence designed to establish their own leadership. Prisoners who resisted such attempts were often attacked during the hours of darkness. Between 17th and 19th September violence between opposing factions in compounds containing North Koreans resulted in the deaths of 20 prisoners and injury to 31. Further incidents, both between groups of prisoners, and directed against UN personnel, occurred during the next few months. On 18th February, in order to prevent an enquiry which sought to establish which civilian internees in a compound were South Koreans who had been forcibly impressed into the North Korean army, a body of some 1,500 internees attacked UN guards with improvised weapons such as steel picks and wooden clubs, and order was only restored at the cost of 76 lives, one US soldier and 75 prisoners. The attack had obviously been carefully planned by Communist leaders in the compound determined to prevent this enquiry by violent means. This incident was later investigated by personnel of the International Committee of the Red Cross.

In the belief that an armistice was imminent and that it was undesirable to provide further propaganda ammunition for the Communists, the United Nations Command instructed the authorities in Koje early in March that incidents were, wherever possible, to be avoided. It was considered at the time by the authorities on the spot that in view of the large numbers of prisoners in the various compounds, the only way to avoid incidents was to refrain from sending guards into the camps.¹ Entry into the camps accordingly ceased, whereupon Communists seized complete control of some compounds.

¹Speaking in the House of Commons on 1st July, Mr. Selwyn Lloyd, UK Minister of State, said: 'I believe this decision was taken in good faith to avoid incidents which might hinder the armistice talks but it only led in fact to further trouble which might have had serious military consequences. A mass break-out had been planned for 25th June and one shudders to think of the reign of terror which could have ensued on the island'.

Further incidents were, however, provoked by the Communist leaders during March and April, including one on 10th April during the UN screening of prisoners.

The UN Screening of Prisoners of War

A virtual deadlock had been produced during March 1952 in the Korean armistice negotiations owing to the Communist Commands' refusal to accept the United Nations view that prisoners of war should have the right to choose whether or not they wished to be repatriated [see 20.3.52 1h(43)]. Later there appeared to be some modification of the Communist Commands' position (*e.g.* they agreed to the principle of voluntary repatriation for South Korean residents) and on 2nd April they proposed that further 'discussion of principles should be resumed after lists [of prisoners of war] have been checked'.

The proposal to resume discussion of principles after lists had been checked had two important results. In the first place, it might have made it possible to omit from the text of the armistice agreement any reference to 'voluntary' or to 'no forced' repatriation. In the second place, it became necessary to interrogate all prisoners held by the United Nations Command to determine whether their names should be included in the new lists. This was the origin of what came to be known as the 'screening' process. It was hoped that, whilst in practice safeguarding the important humanitarian principle that no prisoner should be forcibly repatriated, the interrogation would lead to the preparation of lists of names of prisoners all of whom could have been repatriated. The clear implication of the Communist proposal of 2nd April was that repatriation would be carried out on the basis of these lists.

Between 5th and 15th April the United Nations interrogated most of the prisoners of war under their charge in order to find out how many would forcibly resist repatriation to North Korea or China [see 15.5.52 1h(63) and 26.6.52 1h(84) for Mr. Eden's and Mr. Selwyn Lloyd's statements on the method and results of this screening]. 'In some compounds', the White Paper stated, 'opposition to screening was so strong that the operation could not be carried out. It was known that these compounds included a number of anti-Communists, some of whom were indeed put to death by Communists who had seized control. After some allowance had been made for inmates of these compounds who would probably refuse repatriation, the rest were assumed to be eligible for repatriation. The total number of prisoners in the compounds which were not screened was about 43,000'.

Developments on Kojé Island, May-June 1952

On 7th May, General Dodd, then Camp Commandant on Kojé Island, was seized by Communist prisoners and held prisoner for 3 days while the prisoners attempted to extort concessions from the UN Command as the price of his release. 'It is significant', the White Paper states, 'that General Dodd's capture followed at once upon the publication of the United Nations "package proposals" of 28th April [see 15.5.52 1h(63)]. There are grounds for believing that the incidents on Kojé were deliberately provoked by the Communist prisoners on instructions from outside, in order to give the Communist negotiators at Pan Mun Jom a propaganda lever with which to extract further concessions from the United Nations'.

On 12th May a new Commandant, General Boatner, was appointed to Kojé. Most of the prisoners who had indicated in April that they would

forcibly resist repatriation, and all Chinese prisoners of war, had been moved away from Koje Island. At the end of May contingents from the Canadian, Greek, Netherlands and UK forces in Korea were assisting US and South Korean forces in guarding the remaining prisoners on Koje. The urgent problem confronting General Boatner was that of restoring order and asserting control over some 40,000 Korean prisoners remaining on the island. As fast as new accommodation could be prepared, Communist and anti-Communist prisoners in the old large compounds were separated, Communist leaders who were suspected of having intimidated or organized the killing of fellow prisoners were isolated and prisoners were transferred to smaller compounds holding up to 500 prisoners each [see 12.6.52 lh(72)].

The UK White Paper of 30th May also describes the course of the Armistice negotiations in Korea from June 1951 to May 1952, an account of which will be found in Section V of Reference Note No. R.2417 of 1.6.52 Korea and the United Nations, 1945-52.

UK Ministers' Statements on Far East Tour

Statements were made in Parliament on 1st July by the United Kingdom Minister of Defence, Lord Alexander, and by the Minister of State, Foreign Affairs, Mr. Selwyn Lloyd, on their recent joint visit to Korea and Japan at the invitation of General Mark Clark, United Nations Commander in Korea [see 29.5.52 lh(65)].

MR. SELWYN LLOYD'S STATEMENT

The Minister of State, Mr. Selwyn Lloyd, gave the House of Commons a detailed account of the joint visit to Japan and Korea, which lasted from 10th to 16th June. During this period, most of which was spent in Korea, the two Ministers had, either together or individually, visited Tokio, Pusan (the Korean temporary capital), large sectors of the battle line, UN naval and air forces, and the prisoner of war camp on Koje Island. They had had discussions with General Clark, General Boatner (the Camp Commandant on Koje Island) and other officers of the UN forces. Both Ministers had interviews with the President of the Republic of Korea, Dr. Syngman Rhee.

Civilian Refugees

Mr. Selwyn Lloyd said that during his brief visit to Pusan he had seen what he could of the city and had made enquiries on the position of the approximately 600,000 civilian refugees there. The information he had received showed on the whole that they were being well fed and as well looked after as housing accommodation permitted.

Commonwealth Base in Japan

Mr. Selwyn Lloyd gave an account of the main base of the Commonwealth forces serving with the United Nations, at Kure in Japan. This base, to which Australia in particular was making a major contribution, and which was under the command of General Bridgeford (Australia), contained important installations, including facilities for docking and repair of naval units, the trans-shipment and storage of stores and major repairing and refitting of vehicles, guns and equipment. There were also a hospital and administrative and reinforcement units located there.

Mr. Selwyn Lloyd said 'the conditions under which we retain our installations in Kure, now that the Japanese Peace Treaty has been signed, are under close examination in consultation with the Japanese Government, and it is hoped that satisfactory arrangements can be made for us to retain most, if not all, of our installations. These are vital to our effort, since alternative accommodation is not available elsewhere offering the same advantages of docking facilities, space and skilled Japanese labour'.

Composition of UN Armistice Delegation

Mr. Selwyn Lloyd said that the UK Ministers' discussion with Major-General Harrison, leader of the UN delegation at the armistice talks, confirmed them in the view that 'General Harrison and his colleagues form a very competent team of negotiators who have applied themselves to their difficult task with patience, imagination and a high sense of responsibility'. After careful consideration of the question whether to recommend seeking UK participation in the UN delegation, the Ministers 'reached the conclusion that these negotiations were already being well handled and that wider representation would not make for any improvement. Secondly, we felt that any change at this stage in the negotiating team would be hailed by the Communists as evidence of division amongst the United Nations'.

Liaison and Consultation in Korea

Mr. Selwyn Lloyd said he and the Minister of Defence, had throughout their visit considered how to improve liaison and consultation between the UN Command, the US Government and the countries contributing forces to Korea. The UN Command for Korea, he said, 'have expressed the view that it would be appropriate for a Deputy Chief of Staff to be appointed to General Mark Clark's Headquarters, this officer to be drawn from the Commonwealth countries providing combatant forces.

'We welcome this arrangement, which has been agreed to by the United States Government; it is also acceptable to the Commonwealth Governments primarily concerned. It has been agreed that a senior British officer should be made available for this post'.

He also referred to the recent communiqué issued after the three Foreign Ministers' talks in London [see 1g in this issue] in which the US and French Governments had reaffirmed their agreement with the United Kingdom on the necessity for close co-operation and consultation. The UK Government, the Minister of State said, was now pursuing these matters with the US Government and other interested Governments.

The Government of the Republic of Korea

Recalling the concern felt in the United Kingdom at recent political developments in Pusan [see 12.6.52 1h(71)], Mr. Selwyn Lloyd said that he had visited President Rhee on 13th June and both Ministers had paid a further visit to the President on 14th June. They informed him on both occasions of 'the grave concern felt by Her Majesty's Government and the people of this country at the situation', and 'emphasized that the United Nations were fighting to sustain the rule of law in international affairs and that departures from constitutional processes and democratic methods in South Korea were causing great anxiety'.

President Rhee had assured them that it was his desire to find a solution of the problem, a compromise, within the framework of the existing constitution¹.

Mr. Lloyd said he felt that 'the United Nations have a right and an obligation to see that, while their forces are fighting in Korea to resist aggression and to defend the rule of law, those whose territory is being defended should not act without regard either for their own constitution or for ordinary democratic principles, particularly when such action is bound to cause grave disquiet in Korea itself and so weaken the front against the common enemy'.

STATEMENT BY MINISTER OF DEFENCE

In the course of his statement to the House of Lords on 1st July, the Minister of Defence, Lord Alexander, said that during his comprehensive tour of areas held by the 1st Commonwealth Division [set up in 1951, see 4.5.51 2d p.13], which includes units from the United Kingdom, Canada, Australia, New Zealand and India, he was struck by the 'cheerful and efficient co-operation and integration' shown by these units under the command of Major-General Cassels (UK). The UN Commander, General Clark, and his staff had a very high opinion of this Commonwealth Division. It was, Lord Alexander said, 'one of the most outstanding examples of what can be achieved within the Commonwealth when a common cause unites its members'.

Military Situation in Korea

In assessing the present military situation, Lord Alexander said he believed that, provided the Chinese could be prevented from moving forward and bringing into action their powerful air force (which at present was unable, owing to the UN bombing programme, to use any airfields south of the Yalu River), a full-scale offensive by the enemy under present conditions can be held and that he will suffer terrific casualties. He may outmatch us in numbers of men, as he does considerably, but we are superior in fire power and mobility. I also consider that the 8th Army is a very fine one, well commanded and administered by General Van Fleet, and that it is a happy and united team, whose men are confident and of high morale. Its most striking characteristic is the team spirit, which has welded the forces of twenty-one nations into one army.'

Speech by UN Secretary-General

In the course of a speech made to the United Nations Association of Great Britain and Northern Ireland and to the Foreign Press Association at a luncheon given in his honour in London on 25th June jointly by the two Associations, Mr. Trygve Lie, Secretary-General of the United Nations, dealt with UN action on Korea.

Mr. Lie said that the UN Charter had 'brought into being both a system for settling disputes by peaceful means and a collective security system. Its basic objective is the preservation of peace, by conciliation if at all possible,

¹According to Press reports, on 4th July, three days after Mr. Selwyn Lloyd's statement, the Korean National Assembly approved amendments to the constitution providing for popular election of the President, for a bicameral parliament, and measures giving the Assembly control over the Cabinet. The UN Commission in Pusan (UNCURK) said the compromise was the best that could be arrived at under the circumstances but that they hoped that martial law would be ended and that the 13 arrested members of the Assembly would be released.

by force if necessary'. 25th June was the anniversary of the first application of this latter principle and it would be well to consider its meaning and consequences.

'The attack by the North Koreans two years ago today', Mr. Lie declared 'was as clear a case of aggression as any in history'. The UN Commission on Korea had never glossed over the shortcomings which it found in South Korea. 'But to suggest, as some have done', Mr. Lie continued, 'that the North Koreans were justified in launching an armed attack . . . because of the alleged faults of their neighbours to the south, would be tantamount to condoning any aggression and returning us all to the rule of the jungle'.

Mr. Lie traced the course of the Security Council's subsequent decisions on Korea and the aid rapidly furnished by UN members, and paid a tribute to the forces of the Commonwealth fighting under the UN Command.

'The valour and distinction of the British and Commonwealth forces in Korea have been a particular source of gratification to all believers in peace and freedom. The sacrifices of these men have been great and the proportionate casualties heavy. But at least we can all recognize that these young lives have been lost in a noble cause, and that if your soldiers had not been ready, with others, to sacrifice themselves, the lives of countless other young men would have been endangered'.

UN Not Responsible for Prolonging Korean War

Mr. Lie said the prolongation of the war in Korea was not the fault of the United Nations. In December 1950, after the Chinese intervention, the UN General Assembly had made a valiant effort to bring about an honourable settlement. 'The Peking Government and its supporters', he said, 'would not accept the Assembly's offer'. For one year now the UN Command in Korea had been engaged in negotiations for an armistice, without agreement being reached.

'No nation associated with the United Nations effort', Mr. Lie declared, 'seeks any territorial aggrandizement or special advantage. The aim of the United Nations in these negotiations is an end to hostilities at the agreed-upon cease-fire line and an armistice protected by reasonable and decent provisions.

'The conclusion of an armistice will mean primarily a vindication of the principle of collective security to repel aggression. The problem of a free, unified and independent Korea will still be with us. Beyond that loom the larger problems of the Far East.

'It should be apparent to those governments which have it within their power to influence the course of the armistice negotiations that no real progress can be made on these larger problems, and indeed on the issues which divide the world in Europe as well as in Asia, until the present hostilities are brought to an end. The continuation of the Korean war is the prime obstacle to a renewed effort towards global settlements'.

Sudan

Sudanese Leader's Press Statement

In a Press interview on 8th July, Sayed Sir Abdel Rahman el-Mahdi Pasha, one of the two principal religious leaders in the Sudan, said that the main question raised in recent talks at Cairo between an unofficial delegation of prominent Sudanese and members of the Egyptian Government [see 29.5.52 lh(70)] was that of the claim by the Egyptian Crown to titular sovereignty over the Sudan. Mahdi Pasha said that he could not accept even a nominal titular sovereignty.

Mahdi Pasha further stated that he himself and the Umma Party (of which his son is the leader), would welcome UK or US troops and air bases in the Sudan under treaties concluded between an independent Sudan and other nations interested in the defence of the Middle East.

According to Press reports, Sir Sayed Abdel Rahman el-Mahdi Pasha has accepted an invitation to have talks with the Egyptian Prime Minister in Alexandria, on the way to Switzerland for his holiday. Mahdi Pasha is expected to leave the Sudan in the second half of July.

Delimitation of Territorial Waters

Protest at Bulgarian and Roumanian 12-Mile Claims

It was announced by the UK Foreign Office on 2nd July that, in concert with the Swedish and Danish Governments, the UK Government had protested in Notes to the Bulgarian and Roumanian Governments against the action of the latter Governments in claiming an extension of their territorial waters to a distance of 12 nautical miles.

Bulgaria, in addition to claiming this extension, required foreign warships to obtain permission for passage through its territorial waters. The Notes stated that the extension constituted an encroachment upon the high seas. The Note to Bulgaria added that the restrictions on the passage of vessels represented an interference with navigation beyond that permitted by international law.

The Soviet Union in a law of 1927 laid claim to a 12-mile territorial sea, and in 1931 the UK Government informed the Soviet Government that they did not recognize the validity of this claim. The views of the UK Government on the question of territorial waters was stated in Notes to the Icelandic Government, which recently claimed a territorial sea of four miles [see 29.5.52 lh(69) and 26.6.52 lh(85)]. The Notes stated that the principle of the three-mile limit for territorial waters had been part of general international law since the nineteenth century, and no State was under obligation to accept claims other than validly established prescriptive claims, such as that of Norway, which the UK Government admitted was entitled on exceptional historic grounds to claim a territorial sea of four miles.

Bahrein

UK Note Rejects Persian Claims

In a Note delivered to the Persian Government on 5th July 1952, the United Kingdom Government formally rejected Persian claims to the islands comprised in the territory of the Sheikhdom of Bahrein in the Persian Gulf. The UK Note was in reply to Persian Notes of 20th April and 2nd July which had protested against the visit of Sir Eric Beckett, Legal Adviser to the Foreign Office, in April to Bahrein and other States under British protection in the Persian Gulf, for the purpose of studying the judicial systems in practice there. The Persian Government claimed in their Notes that Bahrein was 'a part of Persia'.

The British Note of 5th July stated (as had been stated in an earlier UK Note on 2nd May) that the UK Government 'categorically declare that they have on no occasion acknowledged the sovereignty of Persia over the Bahrein islands and that they have more than once made this clear to the Persian Government.

'The treaties concluded between Her Majesty's Government and the Rulers of Bahrein since 1820 were made with the recognized sovereign Rulers of that State. The Bahrein islands are under British protection and Her Majesty's Government do not admit that they form a part of Persia'.

There has been no effective exercise of Persian sovereignty in the Bahrein Islands since the expulsion of Persia from them by the ancestors of the present Sheikh of Bahrein in 1783. Since then the Persian claim to sovereignty over Bahrein has often been preferred and as often refuted. The status of Bahrein is that of an independent Sheikhdom in special treaty relationship with the UK Government.

Unification of Germany

Further Western Notes to Soviet Union

On 10th July, the French, United Kingdom and United States Governments replied in identical terms to Notes of 25th May received by them from the Soviet Government on the question of the unification of Germany. The Western Powers proposed that there should be an early meeting between representatives of the four Powers to discuss the membership and functions of an impartial commission to determine whether there exist throughout Germany the conditions necessary for free elections.

TEXT OF UNITED KINGDOM NOTE

'In their Note of the 13th May Her Majesty's Government made various proposals in the hope of facilitating Four-Power conversations which could lead to the unification of Germany and to the negotiation with an all-German Government of a German Peace Treaty. They observe with regret that the Soviet Government in their Note of the 24th May do not answer these proposals. Her Majesty's Government fully maintain the views and proposals in their Note of the 13th May. On this basis they wish, in their present note, primarily to concentrate attention upon the immediate practical problem of the procedure for setting up, through free elections, an all-German Government with which a peace treaty can be negotiated.

'In their Note the Soviet Government once more propose simultaneous discussions on a Peace Treaty, the unification of Germany, and the formation of an all-German Government. For their part, Her Majesty's Government maintain their position on this question, namely, that an all-German Government must participate in the negotiation of a peace treaty, and that, therefore, before undertaking such negotiations, Germany must be unified and an all-German Government established. Unification of Germany can be achieved only through free elections. The essential first step is obviously the determination that conditions necessary for such free elections exist. The second step would be the holding of those elections.

'In regard to the first step, Her Majesty's Government proposed in their note of 13th May that an impartial commission should determine whether there exist throughout Germany the conditions necessary for the holding of free elections. While pointing out the great advantages of using the United Nations Commission, Her Majesty's Government nevertheless offered to consider any other practical and precise proposals for an impartial commission which the Soviet Government might advance. The Soviet Government advance no such proposals and limit themselves to maintaining their position on the appointment of a commission to carry out this verification by agreement among the Four Powers. It is not clear to Her Majesty's Government whether the Soviet Government consider that the commission should be composed of representatives of the Four Powers or merely that the Four Powers should agree on its composition, and Her Majesty's Government would be pleased to receive clarification on this point. Her Majesty's Government remain convinced that a commission composed solely of nationals of the Four Powers would be unable to reach useful decisions since it could only reflect present differences of opinion among the Four Powers as to conditions existing in the Federal Republic, in the Soviet Zone and in Berlin. Her

Majesty's Government consider that if the commission is to carry out its work effectively, it should be composed of impartial members, should not be subject to veto or control by the Four Powers, and should be empowered to go freely into all parts of Germany and investigate conditions bearing on the possibility of holding free elections.

'In regard to the second step, Her Majesty's Government similarly proposed that as soon as the commission's report was ready, there should be a meeting of representatives of the United States, French, Soviet and United Kingdom Governments to discuss the early holding of free elections throughout Germany, including the creation where necessary of appropriate conditions. Her Majesty's Government maintain this proposal to which the Soviet Government have not yet replied. Her Majesty's Government repeat what they have stated in paragraph 8 of their note of the 13th May: "such free elections can, however, only be held if the necessary conditions exist in all parts of Germany and will be maintained not only on the day of voting and prior to it but also thereafter".

'Her Majesty's Government further proposed to examine at this same meeting the assurances to be given by the Four Powers that the all-German Government, formed as the result of these free elections, will have the necessary freedom of action during the period before the Peace Treaty comes into effect. It is the understanding of Her Majesty's Government that the only concrete proposal envisaged by the Soviet Government is that the all-German Government must be guided by the Potsdam decisions. This would mean the re-establishment of the quadripartite system of control which was originally designed to cover only "the initial control period". An arrangement of this kind would revive a system of control which proved to be impracticable and would, moreover, ignore the whole evolution of events in Germany in recent years. A German Government subjected to such control would in practice enjoy no freedom in its relations with the Four Powers, and would not be in a position to participate freely with the four above-mentioned governments in the negotiation of a Peace Treaty.

'Her Majesty's Government also observe, with concern, that while the Soviet Government in its Notes repeatedly reaffirms its desire for the unification of Germany, it has recently adopted without any justification a series of measures in the Soviet Zone and in Berlin, which tend to prevent all contact between the Germans living in the territory under Soviet occupation and the 50 million Germans in the Federal Republic and in the western sectors of Berlin. These measures aggravate the arbitrary division of Germany. Her Majesty's Government wish to emphasize that the agreements recently signed with the Federal Republic open up to Germany a wide and free association with the other nations of Europe. Her Majesty's Government cannot, as they have already emphasized in their note of the 13th May, admit that Germany should be denied the basic right of a free and equal nation to associate itself with other nations for peaceful purposes. Furthermore these agreements reaffirm the determination of the Three Powers and the Federal Republic to promote the unification of Germany, and expressly reserve the rights of the Three Powers relating to a peace settlement, a peace settlement for the whole of Germany to be freely negotiated between the Four Powers and the all-German Government.

'In order to avoid further delay, Her Majesty's Government, in concert with the French Government and the United States Government and after consultation with the German Federal Government and the German authorities in Berlin, propose that there should be an early meeting of representatives of the four Governments, provided it is understood that

the four Governments are in favour of free elections throughout Germany, as described in paragraph 4 of the present note, and of the participation of a free all-German Government in the negotiation of a German peace treaty. The purpose of this meeting would be to reach agreement on the first question which must be settled if further progress is to be made, namely, the composition and functions of the commission of investigation to determine whether the conditions necessary for free elections exist. Her Majesty's Government propose that the representatives discuss:

1. The selection of members of the commission in such a way as to ensure its impartiality.
2. The functions of the Commission with a view to ensuring its complete independence to make recommendations to the Four Powers.
3. The authority of the commission to carry out its investigation in full freedom and without interference.

'In order that free elections can be held it will also be necessary to reach agreement on the programme for the formation of an all-German Government, as proposed in paragraph 11 (iv) of Her Majesty's Government's Note of the 13th May¹. Her Majesty's Government therefore repeat their proposal for the discussion of these further important issues by representatives of the Four Powers. When such agreement is reached it will then be possible to proceed to the unification of Germany.

'Since the Soviet Government have repeatedly expressed their desire for an early meeting in preference to continued exchange of Notes, Her Majesty's Government trust that the present proposal will commend itself to them.'

Background to the Question of German Unity

The Western Powers have re-affirmed consistently that they seek the unification of Germany by democratic and peaceful means so that a peace settlement may be negotiated.

Failure of Four-Power Control of Germany

Persistent Soviet obstruction in the Council of Foreign Ministers however, brought negotiations on a German peace settlement to a deadlock, and negotiations have been static since December 1947. Discussions between the Foreign Ministers' Deputies in Paris in 1951 for a resumption of four-Power meetings proved fruitless. The four occupying Powers could not agree on methods of fulfilling the principle, agreed at Potsdam in 1945, of treating Germany as an economic unit. The three Western Powers regarded it as essential that German resources should be used to the maximum: first, to serve the peaceful needs of Europe as a whole; second, to make Germany economically self-supporting without external aid for its maintenance; third, to provide a reasonable living standard for Germany so that it should not become a depressed area in central Europe; fourth, to provide some measure of reparation for the damage and loss caused by

¹Paragraph 11(IV) of the UK Note of 13th May read as follows:

'As soon as the report of such an impartial commission is available, representatives of the United Kingdom, United States, French and Soviet Governments would meet to consider it, with a view to reaching agreement on:

- (a) the early holding of free elections throughout Germany, including the creation where necessary of the appropriate conditions;
- (b) the assurances to be given by the four Powers that the all-German Government, formed as the result of these free elections, will have the necessary freedom of action during the period before the peace treaty comes into effect.'

German aggression. The Soviet Union refused to co-operate in drawing up an economic programme for Germany as a whole, and insisted on the large-scale payment of reparations forthwith from capital industrial equipment, from current production and by the use of German labour, at a time when the United Kingdom and United States were having to keep the Western German economy going on subsidies. Politically, the Western Powers favoured the creation of a federal, decentralized German State and adequate consultation in reaching a peace settlement with other countries who fought in the war against Germany. The Soviet Government wanted a strong, centralized German State (in the expectation of its being Communist), and insisted that the peace treaty should be a matter for the four occupying Powers only in the Council of Foreign Ministers.

Renewed Western Efforts

In default of four-Power agreement and in the interests of Germany and Europe as a whole, the Western Powers decided to concert measures for the economic and political rehabilitation of their zones of occupation [particulars of which will be found in R.2369 of 8.4.52, *The West and Germany*]. However, they continued when opportunity presented, to renew efforts to achieve the reunification of Germany on democratic and peaceful lines. When, in March 1950, the Federal Republic of Germany put forward proposals for free all-German elections for a national assembly empowered to frame an all-German constitution, the Western Powers, in May 1950, invited the Soviet Commander-in-Chief in East Germany to co-operate in framing an electoral law for holding all-German elections. These proposals were ignored by the Soviet occupation authorities who had staged single-list 'elections' in the Soviet zone in October 1950, resulting in a pre-arranged majority for the Communist 'National Front' ("99.58 per cent" of the votes cast), the electorate being given no opportunity to vote for alternative candidates or even to record dissent.

In September 1951, the East German Government proposed that a conference be convened to discuss the holding of all-German elections. In reply, the German Federal Government stated that the world knew that, when Communist representatives talked of consultations, they meant either dictation or endless delays. However, in order to do everything possible to hasten the re-unification of Germany, the Federal Government had prepared a 14-point plan outlining what it regarded as the essential conditions and safeguards for holding all-German elections.

In October 1951, the German Federal Government asked the Western Powers to propose that a neutral international commission under United Nations supervision be appointed to investigate conditions in the whole of Germany to determine whether genuinely free elections could be held. The Federal Government and the East German Government outlined their respective points of view in exchanges during November and in statements to the *ad hoc* Political Committee of the UN General Assembly, which discussed the question from 4th to 19th December 1951. The East German Government maintained that the holding of elections was a matter of purely German concern, and that any enquiry should be held by the Germans themselves under the control of the four occupying Powers. The Federal Government specified that free elections could only take place if there were such conditions as freedom of movement and of speech, freedom of assembly and of the Press, freedom from arbitrary arrest and detention, freedom of political parties to organize and carry out their activities and if there were international control and protection.

UN Commission of Inquiry Appointed

A resolution proposed by the Western Powers and adopted by the United Nations General Assembly incorporated the Federal Government's conditions and safeguards. The resolution provided that none of the four occupying Powers should serve on the United Nations Commission, and called on all authorities throughout Germany to enable the UN Commission to travel freely and be given complete freedom of access to persons, places and relevant documents, together with the right to summon witnesses. The five Powers which would be represented on the Commission were Brazil, Iceland, the Netherlands, Pakistan and Poland. (Poland indicated on 16th January that it would not participate in the Commission's work). The resolution also provided that, if the Commission were unable to carry out its task immediately because of opposition from the East German zone authorities, it should continue in being until September 1952, in case it should become possible for it to fulfil its functions.

The UN Commission first met on 10th February, and two weeks later it suggested to the Allied High Commission in the Federal Republic and the Soviet Control Commission in East Germany that it should meet all the appropriate authorities in Germany in March to discuss arrangements for carrying out its investigation. The Allied High Commission, the German Federal Government and the German governing body in West Berlin readily accepted this suggestion, and assured the UN Commission of their full co-operation in providing all facilities necessary for the conduct of its inquiry. The Soviet zone authorities did not reply to repeated invitations from the UN Commission to discuss arrangements to facilitate its work, and being thus unable to proceed, the Commission left Berlin on 24th March.

Recent Western-Soviet Exchanges of Notes

The Western Notes of 10th July are the latest in a series exchanged between the Soviet Government and the three Western Powers during the last four months. It began with a Soviet Note on 10th March, proposing four-Power discussions to prepare a peace treaty with a unified Germany. The Western reply emphasized that it would not be possible to engage in detailed discussions of a peace treaty 'until conditions have been created for free elections, and until a free all-German Government which could participate in such discussions has been formed'. The UK Note also commented on and asked for clarification of other fundamental questions raised by the Soviet Note and by its Appendix listing principles on which the Soviet Government thought that a peace treaty should be based [see 3.4.52 li(12)]. A further Note of 9th April, reiterating the Soviet views, was answered by Western Notes of 13th May [see 15.5.52 li(20)], proposing that an impartial commission should immediately determine whether there existed throughout Germany the conditions necessary for free elections and, if the necessary conditions did not exist, to recommend to the four Powers what steps should be taken to create such conditions. They also proposed that the United Nations Commission which was already available should be used for this purpose, although the Western Powers were ready to consider any other practical and precise proposals for an impartial commission of investigation; and that, as soon as the report of such a commission was available, representatives of the four Powers should meet to seek agreement on the early holding of free elections throughout Germany and on the assurances to be given by the four Powers that the all-German Government, formed as the result of these free elections, would have the necessary freedom of action during the period before the peace

treaty came into effect. The Soviet Note of 25th May did not reply directly to the Western proposals but accused the Western Powers of trying to 'drag out the conclusion of a peace treaty with Germany and the unification of Germany.' It attacked the contractual agreements and the formation of the European Defence Community and called for an immediate four-Power meeting on the substance of the German question.

Indian-Japanese Peace Treaty

A treaty of 'peace and amity' was concluded in Tokyo on 9th June between the Governments of India and Japan. India decided not to attend the San Francisco Conference of September 1951 at which the multilateral Treaty of Peace with Japan was signed, but on 28th April terminated the state of war between the two countries [see 1.5.52 1i(19)].

A summary of the provisions of the Indian-Japanese treaty will be found in COMMONWEALTH SURVEY 20.6.52 1c(14).

International Economic Stability

UK Government's Views on UN Report

On 1st July, during the fourteenth session of the Economic and Social Council, Lord Selkirk, Lord in Waiting to the Queen, representing the United Kingdom, gave the views of the UK Government on the recommendations in *Measures for International Economic Stability*, a report prepared for the United Nations by five experts [see 24.1.52 2a(1)]. The report proposed an attack on the problem of economic instability through international commodity agreements, stabilizing the international flow of capital, and increasing the available supply of international monetary reserves.

The Need for Adequate Reserves

A common feature of these proposals, Lord Selkirk said, was that they attempted to mitigate the balance of payments difficulties and deficits which would otherwise arise as a result of a depression originating in some part of the world. The UK Government had a good deal of experience of these difficulties. It had found that the best way of meeting them was from a country's own gold and currency reserves, which are unconditionally at its disposal, or from financial resources made available under bilateral or multilateral agreement to be drawn upon as required, or from *ad hoc* arrangements between government and government to meet the circumstances of the time. It was doubtful if the speedy assistance which circumstances often required could come from the discretionary action of large intergovernmental bodies hampered by rigid formal constitutions and limited resources. Another lesson of experience was that when most countries have nearly full employment very large fluctuations in the balance of payments could result from relatively small disturbances in the level of aggregate demand and employment in particular countries: when demand slackened it was the marginal demand for imports which fell off first. He thought, therefore, that payments disturbances bigger than those the report had in mind had to be anticipated. Moreover, going back to the experience of recession in 1937-38 was no help because that recession started from a position in which most of the major industrial countries had 10 per cent or more of their labour force unemployed. That recession would have occasioned a much bigger disturbance in international payments had it started from a position of full employment.

Commodity Agreements

The UK Government agreed with the report that wild fluctuations in the prices of primary products harmed both producing and consuming countries and that greater stability of price would foster a steady and rational development of the primary producing countries. Commodity agreements had an important part to play in this provided they were based on sound principles. Consuming as well as producing countries should be represented on the responsible bodies since shortage was as much to be feared as glut; prices should not be frozen at some arbitrary level which changing conditions of supply and demand would show to be artificial and capable of setting up incentives leading to an uneconomic use of resources; and it should be recognized that the arrangements required

differed from commodity to commodity. There was no need for any new international machinery to administer a comprehensive scheme: existing arrangements—*e.g.* study groups and the principles and procedures adopted by ECOSOC in its resolutions—were sufficient guide.

The International Flow of Capital

The UK Government agreed that it was important to maintain a steady flow of development expenditure in the underdeveloped countries. Theoretically there was a good case, in the interests of stability, for expanding the rate of development in times of recession and contracting it in times of inflationary pressure. But it would not be justifiable to hold up a programme of development work simply for the sake of having something in hand to meet a depression. If this was understood, the UK Government agreed with the report that the International Bank and national government agencies should vary the rate of their lending to compensate for cyclical variations—*i.e.* lending more in times of recession and less in times of inflation. The national agencies would not find this difficult—as the report thought—because in a recession an industrialized country would have a strong incentive to maintain exports of capital goods involving more and cheaper credit to the importing countries.

International Monetary Reserves

The world was short of monetary reserves which countries needed to see them over payment fluctuations. Since the late 1930s the total reserves of countries had declined substantially in relation to the value of international trade. The latter had increased more than two and a half times between 1937 and 1951 while gold and dollar holdings of countries other than the United States had risen by only one-fifth. Even the reserves of the United States had risen by less than three-quarters. Reserves were the more inadequate because the instability of trade balances and capital movements had increased as well as the value of trade. In order to protect their reserves governments were driven to all kinds of expedients, such as restrictions on trade and currency convertibility, export subsidies, etc., which were apt to relieve one country's payments at the cost of aggravating those of another. Lord Selkirk did not wish to go into details of how this shortage could best be remedied. But he did mention the provision of substitutes for gold and foreign currency assets such as the borrowing facilities extended by international institutions such as the International Monetary Fund or the European Payments Union. For such facilities to be genuine substitutes they must be automatically available when required, up to the limit prescribed. So they were in the European Payments Union but not in the Fund, from which countries could only draw at the discretion of the Board of Directors, and even then a country could only borrow 25 per cent of its quota in a year. The UK Government thought that the Fund should adopt a more generous lending policy and that 'it should throw in its resources for what they are worth when they are most useful, namely, at the impact of the recession, and trust in the common sense of governments to replenish these resources if they should become exhausted in a good cause'.

European Payments Union

Arrangements for Renewals

On 30th June 1952 it was announced by the Organization for European Economic Co-operation that the formal decisions renewing the European Payments Union for one year after that date had been taken by the Council (OEEC).

The Decisions

The main decisions were outlined by the UK Chancellor of the Exchequer on 12th June [see 12.6.52 2b(30)].

The text of the OEEC announcement is as follows:

1. The Council has now adopted a decision prolonging the operation of Article II of the EPU Agreement, i.e. *financial commitments* of members. It should be noted in this connection that EPU is not limited in duration, but that the financial commitments entered into two years ago had to be renewed on 30th June, 1952, on terms decided upon by OEEC in agreement with the United States Government. The decision provides for the application of a new scale of gold payments for debtor countries and gives provisional authority for the exemption of *Denmark*, whose gold and dollar reserves are very small.
2. The decision on the position of the *Belgium/Luxembourg Economic Union* [BLEU] covers the various points contained in the proposals made at the Ministerial Council meeting on 7th June:
 - (a) the position of BLEU in the Union as at 30th June, 1952 is brought up to 417 million units of account, covered by the quota (331 million) and a first 'supplement' of the quota (86 million);
 - (b) payment of \$80 million in repayment of credit previously granted;
 - (c) consolidation of 50 million units of account of previous credit, to be repaid by the Union in 5 annual instalments of 10 million each;
 - (d) repayment of 50 million units of account to be borne by the United Kingdom and France which have agreed to supply BLEU with goods to this amount over a period of two years;
 - (e) the Union renounces the payment by BLEU, should it result in deficits within the Union, of some \$190 million which BLEU has already received in settlement of surpluses above the quota;
 - (f) a second 'supplement' (250 million units of account) is accepted by BLEU in settlement of her surpluses during 1952/53, half in gold paid by the Union to BLEU and half in credit granted by BLEU to the Union.
3. The Belgian delegation has informed the Council that a satisfactory agreement has been reached between Belgium and the International Monetary Fund, permitting Belgium to mobilize the \$50 million credit mentioned in paragraph 2(c) above.
4. A decision continues to 30th June, 1953 the validity of the decision of November last providing for the settlement of *Italian* surpluses over her quota, half in gold and half in credit, up to a limit of 100 million units of account.
5. Similarly, the arrangement made earlier with *Portugal* has been amended to allow on the one hand for giving up a part of the gold already given her, and on the other for the settlement half in gold, half in credits, of the surpluses which she might have between now and 30th June 1953, up to a limit of 55 million units of account over her quota.
6. Yet another decision provides for the settlement—again half in gold and half in credit—of *Swiss* surpluses which might arise in excess of her quota during 1952/53 within the limits of a sum of 125 million units of account.
7. At the same time, the quota of *Greece* has been blocked for a further period of one year, and the deficit of this country, as last year, is to be settled wholly in dollars out of the special resources granted her by the United States.

8. The quota of *Austria* has likewise been blocked, but for a period of three months only, while awaiting the granting of special resources by the United States; the Union will allow special advances to Austria which will be reimbursed.
9. A supplementary Protocol to the EPU Agreement was approved by the Council and will be formally signed in the next few days. Apart from minor amendments to the Agreement, it provides for the operation of a *Guarantee Fund* of \$100 million which Members have agreed to pay to the Union to ensure that its convertible assets do not fall below the minimum level of \$100 million. Provision is also made that the *administrative expenses of the Union*, at present of the order of \$200,000 a year, will henceforth be met by the Union itself out of income from interest, and not by the OEEC from its own budget.

New Scale of Gold Payments

The scale of gold payments for creditors remains unchanged: *i.e.* for the first 20 per cent of their quota they receive no gold and thereafter for every 20 per cent of their quota they receive half in gold and grant half in credit to the Union. But the scale for debtors has been changed as follows:

Cumulative Accounting Deficit	Old Rate		New Rate	
	Pay gold to Union %	Receive credit from Union %	Pay gold to Union %	Receive credit from Union %
1st 20% of quota ..	—	100	1st 10% — 2nd 10% 20	100 80
2nd " " ..	20	80	30	70
3rd " " ..	40	60	40	60
4th " " ..	60	40	50	50
5th " " ..	80	20	70	30
	—	—	—	—
TOTAL ..	40	60	40	60
	—	—	—	—

Thus in the earlier stages of indebtedness, debtors will have to pay gold a little faster than they did. Moreover, when debtors in the later stages become creditors again they will recoup gold at a lower rate. For example, under the old scale a debtor who had reached the fifth tranche of his quota and then became a creditor to an extent that threw him back into the fourth tranche got back 60 per cent of that tranche in gold: now he will get only 50 per cent. This, and the guarantee fund, will make the gold and dollar reserves of EPU more adequate for what it has to do.

For the United Kingdom's position in EPU in June, see 2e in this issue.

UN Technical Assistance

UK Contributions

Progress made under the various United Nations programmes of technical assistance for under-developed countries has been reviewed in reports presented to the fourteenth session of the Economic and Social Council. The United Kingdom has continued its contributions to the finance, personnel and training facilities made available under these programmes. The principal one is the expanded UN programme of technical assistance which was launched in June 1950 [see 24.8.51 3f p.29 for an account of the organization of UN technical assistance].

Expanded Programme of Technical Assistance

The Technical Assistance Board (TAB) in its fourth report to the Technical Assistance Committee (TAC) describes the progress made under the Expanded Programme from its inception, 1st July 1950, to 31st December 1951, the end of the first financial period. It also includes some information on activities up to 31st March 1952 and therefore includes and brings up to date information given in its previous reports [see 24.8.51 3f pp.29-32].

Financial Contributions. About \$20 million pledged by 55 Governments¹ were available for operations in the first financial period, \$3 million of which has been placed in reserve. In the period \$6.5 million was expended on projects undertaken, a further \$6 million was earmarked for personal services and equipment in 1952 and further expenditure will be incurred in implementing agreements signed in this period for which no actual employment or purchase contracts had been signed by 31st December 1951. The United Kingdom's contribution, fully paid, for the first period was \$2.1 million (£760,000). The UK contribution for 1952, owing to the overriding need for economy [see 21.2.52 2c(11)] had to be less than for the first 18 months' period: \$1.26 million (£450,000) had been pledged and was already fully paid.

Technical Experts. By the end of 1951 some 797 technical experts in many different fields of knowledge had been sent out to some 55 under-developed countries and territories at the request of the Governments concerned.² By the end of March 1952, an additional 227 experts had been recruited. The experts were nationals of 61 countries. The United Kingdom provided 102 of the 797 experts appointed, second to the United States where 217 experts were recruited. The United Kingdom government has recently taken steps to improve its machinery for finding experts to meet requests. [See 26.6.52 2c(12) for an account of the work of the special unit in the UK Ministry of Labour].

Fellowships and Training. The report shows that good progress is being made in awarding fellowships. Some 845 fellows, drawn from some 69 countries and territories, had been placed by 31st December 1951 in technical training institutions or otherwise provided with training, study or observation facilities in countries or territories other than their own. By the end of March 1952 an additional 232 fellowships had been awarded.

¹By 31st March 1952, 42 governments had paid in full, 2 had made partial payments, and 11 had made no payments.

²These include 57 experts for activities financed under the smaller UN 'regular' programme of technical assistance.

The United Kingdom provided facilities for 165 of the total of 1,072 fellowships or scholarships awarded during the first period, again the second highest total, after the United States with 228.

Training Centres. The figures for experts and training facilities take no account of recently expanded regional activities under the programme in the form of schools and seminars being held in a number of countries. Training centres, demonstration projects and pilot plants have been given greater emphasis in the 1952 plans. Such centres are initiated on the suggestions of UN regional commissions or specialized agencies. The following are only a few examples of this type of activity. A training course for statistical officers in African colonial territories is to be held in 1952. The United Kingdom was one of the Governments with African dependencies participating in a conference in August 1951 held in Southern Rhodesia which agreed the programme for this course. An Asian training course on the economic appraisal of development projects was held in Pakistan during 1950. An international training course on vital statistics and health statistics for South-East Asia was held in Ceylon between September and December 1951. A seminar on youth welfare was held in India in November 1951 and a seminar on labour statistics in December 1951. Experts in these topics from the United Kingdom have been sent to most of these seminars. At a seminar on labour inspection held at Calcutta in February 1952, for example, a team of five lecturers from the United States, the United Kingdom, India and the ILO, was responsible for delivering the lectures and acting as discussion leaders.

Co-ordination with Regional and Bilateral Programmes

In most of the countries in which the organizations participating in the Expanded Programme are operating, technical assistance is also being provided from other sources, under the bilateral programmes of the United States (Point Four and Mutual Security Administration) under the Colombo Plan, and in non-self-governing territories under programmes initiated by the metropolitan governments. The TAB report expresses the view that the existence of several programmes, instead of leading to duplication or useless competition, should prove of benefit to under-developed countries as the programmes increasingly develop complementary techniques. Representatives of governments which are members of the Colombo Plan have stressed the intention of the Plan to supplement the work of the United Nations and in a number of agricultural and health projects supplies and equipment are being furnished by a member country of the Colombo Plan or a United States agency while personnel are provided by UN bodies such as FAO and WHO which also participate in the UN Expanded Programme. The appointment of a liaison officer of TAB with the Council for Technical Co-operation (of the Colombo Plan) was made in March 1952. The liaison officer is also the TAB resident representative in Ceylon.

Executive Chairman for TAB

On 11th June the Economic and Social Council endorsed the recommendation that a full time executive chairman be appointed for the Technical Assistance Board. Mr. David Owen (UK), Assistant UN Secretary-General in charge of the Department of Economic Affairs has been seconded to the post.

UN Aid for Arab Refugees

Technical Assistance Through UNRWA

A brief account of the technical assistance activities of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) was contained in a report of the UN Secretary-General to the fourteenth session of ECOSOC. Recent proposals and a new three-year programme for the assistance of the Arab refugees have been supported by the United Kingdom Government by financial contributions additional to those already made to the work of UNRWA see 24.1.52 2h(4).

Activities

The technical assistance division of UNRWA has developed its own activities considerably, is co-ordinating its work with the plans and projects of the United Nations, the specialized agencies, and the bilateral programmes. It has maintained regular contact with the British Middle East Office, and with the representatives of US and French technical assistance programmes in the area.

At its headquarters, UNRWA provides the advice and services of experts in housing, agriculture, irrigation, sanitation, medicine, and engineering to governments in the area in connection with their programmes of care and maintenance of refugees.

At present (April 1952) UNRWA operates about 117 schools staffed by 916 headmasters, teachers and vocational instructors providing education on various levels for some 51,000 refugees.

Egypt. UNRWA is planning a co-operative venture with the Egyptian Ministry of Social Welfare for a survey of the social welfare needs of the Arab refugee population of the Gaza district. Here, UNRWA held a training course in 1951 for teachers participating in the refugee education programme: 247 teachers received instruction in agriculture, physical education, subjects of the elementary curriculum and teaching methods. It is expected that similar courses will be given in 1952. Also in the Gaza district UNRWA runs a handicraft training course, is giving instructions in midwifery and elementary nursing in its maternity centres, and is organizing a school for giving training in agriculture.

A survey of water possibilities in the north-east region of the Sinai peninsula has been carried out by an UNRWA geophysicist, with the aid of a geologist and a desert survey group furnished by the Government of Egypt, and a drilling crew has also been provided by UNRWA to sink wells.

Iraq. UNRWA maintains a representative in Iraq who, as technical assistance liaison officer, expedites co-ordination for several UN specialized agencies, and reports on the progress of bilateral and multilateral projects of technical assistance.

Israel. UNRWA has discussed with the Government the procurement of social welfare personnel to hold short seminars on social welfare work for the Arab population of Israel.

Jordan. In Jordan UNRWA has provided an economic adviser who advises the Ministry of Development and Reconstruction and is engaged on the preparation of a five-year development plan. Closely working with this adviser is a construction engineer, also provided by UNRWA, who advises the Government on public works and building construction. In

[Over

addition, UNRWA has contributed to the subsistence allowances of an agricultural economist and an industrial economist, recruited by the Food and Agriculture Organization and United Nations respectively, who assist in development planning. These experts have also helped with schemes for providing refugees with work in agriculture and industry. As part of its programme of agricultural resettlement UNRWA has made a geophysical survey of areas south-east of the Dead Sea and cadastral surveys of land in the Jordan Valley for farm locations. A soil chemist has been provided for work in areas where agricultural development is planned. To assist in financing various development schemes proposed for Jordan, UNRWA has organized a Development Bank and has contributed 80 per cent of the capital of \$1.4 million. Two new economic studies planned in Jordan by UNRWA are a study of the national income in co-operation with other agencies, and a natural resources survey. In meeting the medical needs of about 458,000 refugees in Jordan, UNRWA's health division, in co-operation with the World Health Organization, extends a considerable amount of technical aid to the Government. This includes, for example, the services of a medical laboratory expert and an epidemiologist. UNRWA's education division is providing handicraft instruction to over 750 refugees, and plans to hold a teacher training course.

Lebanon. In co-operation with the American University of Beirut, UNRWA has been conducting a national income study in Lebanon. In 1951, an UNRWA statistician gave a three-months course to twelve officials of the Lebanese Government. UNRWA sponsored, in November, 1951, a Middle East medical symposium. In co-operation with the American University of Beirut and the British Council, UNRWA provided for 2 months in 1951 instruction and practice to 123 teachers from Lebanon and Syria participating in the programme of refugee education. Under UNRWA's medical training programme 34 persons are currently being trained in medical subjects. Trade and technical classes in handicrafts are held for 400 persons in the Lebanon.

Libya. UNRWA is co-operating with the Libyan-American Technical Assistance Service in the provision of Palestinian teachers to supplement the work of US experts.

Syria. A national income study for Syria is being planned by the Economic Division of UNRWA, similar to the study being carried out in the Lebanon. Carpentry training is being provided for 95 apprentices and 12 persons are being trained as laboratory, pharmacy and medical attendants and orderlies.

Sterling Area Reserves in 2nd Quarter

Respite Gained

The gold and dollar reserves of the sterling area during the second quarter of 1952 fell by \$14 million. There was a deficit of \$38 million in April, a surplus of \$16 million in May and a surplus of \$7 million in June. This compares with a deficit of \$636 million in the first quarter for which \$299 million were lost in January, \$266 million in February and \$71 million in March. At 30th June the reserves stood at \$1,685 million compared with \$1,700 million on 31st March. These figures were given by the UK Chancellor of the Exchequer, Mr. Butler, in the House of Commons on 2nd July.

Reasons for Improvement

Mr. Butler said that it was too early to give a detailed analysis of the reasons for this improvement, but he did mention receipts of \$202 million of defence aid from the United States as against only \$10 million in the first quarter and that gold settlements with the European Payments Union amounted to \$143 million compared with \$219 million in the first quarter. [For example, without \$96 million of US defence aid in June there would have been a deficit in that month of \$89 million]. Seasonal influences—e.g. wool and cocoa sales—had also helped, and the cuts in imports made by the United Kingdom and the action taken by other members of the sterling area [see *Commonwealth Survey* 14.3.52 1h(22)] were beginning to take effect. The fall in imports had not, however, involved a reduction in the total quantity of essential imported foods and raw materials.

Hard Task Ahead

These reasons prompted Mr. Butler to repeat the warning he gave on 12th June [see 12.6.52 2e(27)]. 'We have gained a respite, but the task before us is long and hard; . . . we must put the balance of payments first in all our considerations and we shall continue to take whatever further measures prove necessary to maintain confidence in sterling and to balance our payments'.

European Payments Union

United Kingdom Position in June

The UK Treasury has announced that the provisional figure for the United Kingdom net deficit with the European Payments Union for the month of June was £17,100,000. This figure, which includes £2.4 million of interest paid to EPU for the six months January-June 1952 in respect of the credit received from the Union, is some improvement on the May deficit. The United Kingdom's accounting deficit with the Union will be reduced by £8,929,000 as a result of the arrangement by which \$50 million of the Belgian credit to the Union has been transformed into bilateral credits of \$25 million each to the United Kingdom and France, to be repaid by deliveries of armaments over 2 years [see 12.6.52 2b(30)]. This reduction will mean that, provided no debtor country uses its sterling resources to settle its deficit with the Union, only £8,171,000 will have to be settled in gold at the July operation.

UK-Iraq Financial Agreement

Release of Blocked Sterling

On 10th July 1952 in the House of Commons, the Chancellor of the Exchequer, Mr. Butler, made a statement on recent financial negotiations with the Government of Iraq. He had signed an exchange of letters with Iraq which stated that Iraq's financial relationship with the United Kingdom would continue to be on the basis of common membership of the sterling area.

Sterling Releases

Mr. Butler said that the Financial Agreement of 1947 [see 23.2.51 3c p.36] under which arrangements were made for the release from time to time of sterling from Iraq's blocked balances, expired on 14th July. The UK Government had now felt able to agree to the release of the remaining blocked sterling—some £23 million. They had been assured that it was the present intention of the Iraq Government to hold this as part of the currency cover. In view of Iraq's prospects of earning additional sterling under the recently concluded oil agreement [see 24.8.51 3a p.17] it was unlikely that the sterling would be drawn upon in the foreseeable future.

Consultative Machinery

At the same time, agreement had been reached in principle on setting up suitable machinery for the regular exchange of views and information on financial and economic questions, and for the informal discussion of such problems as might arise from time to time.

Forced Labour

Second Session of UN Ad Hoc Committee

The second session of the UN *ad hoc* Committee on Forced Labour ended on 1st July. The Committee heard non-governmental agencies and individuals with first-hand knowledge make charges, and submit evidence in support, that there were at least 10 million men, women and children doing forced labour in Russia, 1 million in the Eastern European satellites and 1 million in China.

US Statement

The United States Government produced evidence to the same effect. Its representative, Mr. Walter Kotschnig, charged the Soviet Union with practising forced labour 'on a scale unknown in the history of man'. It had returned to 'ancient slavery' by making forced labour an integral part of its economy. The system, Mr. Kotschnig said, served two purposes: supplying cheap labour, and punishing or destroying certain economic or ethnic groups.

The US representative made the following points:

- (1) forced labour had been continuous throughout the existence of the Soviet regime;
- (2) the number of people in labour or concentration camps was a Soviet State secret, but Western estimates ranged from 2,500,000 to 24,000,000;
- (3) the labour camps were places of brutal punishment through over-work, inhumane quarters, hunger diet, and lack of medical care;
- (4) the MVD (Ministry of the Interior) secret police combined police powers with 'big business' building projects.

The general routine in the labour camps was described as:

- 4.20 a.m. : rise and breakfast of black bread;
- 5.30 a.m. : march to work site and begin work, generally road-making or ditch-digging;
- 7.0 p.m. : return from work;
- 10.0 p.m. : lights out;

Background to the Question

An item, 'Survey of forced labour and measures for its abolition' was included in the agenda of the sixth session of the UN Economic and Social Council (ECOSOC) at the request of the American Federation of Labour, a body which has consultative status with ECOSOC, in a letter of 24th November 1947 suggesting that the Council should ask the International Labour Office (ILO) to make a comprehensive survey of the extent of forced labour and suggest measures for its elimination.

Owing to the pressure of business, consideration of this item by ECOSOC was postponed until its eighth session. However, in the General Assembly on 15th October 1948, while answering Soviet charges of British ill-treatment of British subjects in the UK dependencies, Mr. Mayhew spoke of the forced labour system in the USSR [see 5.11.48 4b p.33].

The UN Economic and Social Council adopted on 7th March 1949 a resolution requesting the UN Secretary-General, in co-operation with the

ILO to approach all Governments and ask to what extent they would be prepared to co-operate in an impartial enquiry into the extent of forced labour in their countries.

At the ninth session of ECOSOC the UK Government submitted documents including a photostatic copy of the *Corrective Labour Codex* of the Russian Socialist Federated Soviet Republic (RSFSR) to show that legislation dealing with forced labour was part of the basic law of the Soviet Union [see 29.7.49 4a p.9] and the UK representative drew attention to the evidence pointing to a vast forced labour system in the USSR [see 12.8.49 4a p.39]. More evidence on this question was put forward by the United Kingdom at the tenth session [see 10.3.50 4b p.23] and the eleventh session [see 25.8.50 4b p.31]. Up to this time only 37 countries, including the United Kingdom and the United States, but not the USSR or any of its satellites, had replied to the Secretary-General that they were prepared to collaborate in an impartial enquiry, and action on the question was deferred until the twelfth session.

Meanwhile the Commission on Human Rights at its sixth session from 27th March to 19th May 1950 adopted Article 5 of a draft International Covenant on Human Rights. Section 3 of the Article stated that, subject to certain clarifying provisions, 'no one shall be required to perform forced or compulsory labour'. With some slight amendments the same provisions were incorporated into the draft Covenant on Civil and Political Rights, Article 6(3), adopted by the Commission on Human Rights at its eighth session, 14th April to 13th June 1952.

On 19th March 1951 ECOSOC, at its twelfth session, adopted a resolution inviting the ILO to co-operate in the establishment of an *ad hoc* committee on forced labour of not more than five independent members, 'qualified by their competence and impartiality', to be appointed jointly by the UN Secretary-General and the Director-General of the ILO. The International Confederation of Free Trade Unions [see R.2232, *Guide to International Organizations, Part II*] submitted to the Council photostats of official Soviet documents, including a handbook of regulations for the guidance of officials in a corrective labour camp in the Arctic [see 4.5.51 2h p.21].

The *ad hoc* Committee on Forced Labour, whose members are Sir Ramaswami Mudaliar, M. Paal Berg and M. Felix Fulgencio Palavicini, held its first session from 8th to 27th October 1951. At this session the Committee defined its task and worked out a programme of action. It would survey and study systems of forced labour, which were alleged to take two forms: forced labour to 'correct' the political opinions of those who differed from the State ideology; and forced labour where persons were obliged involuntarily to work for the fulfilment of the State's economic plans. The Committee invited non-governmental organizations to submit documentary material and information and announced its readiness to consider communications, which complied with certain rules, addressed to it from private individuals. It also drew up a questionnaire addressed to Governments, by means of answers to which it could study the laws and regulations in each country relating to the subject.

By its second session, from 2nd June to 1st July 1952, the Committee had received replies from 42 countries. It has asked that 39 countries which have not yet replied should do so by 15th September.

The next session will be held for about six weeks from 14th October and the Committee propose to hold a fourth session early in 1953 at which it will prepare a final report to ECOSOC.

UN Assistance to Refugees

Reports on IRO and Refugee Emergency Fund

The final report of the International Refugee Organization (IRO) has been presented to the fourteenth session of the UN Economic and Social Council. It is a record of IRO's activities during 1951, and a summary of the Organization's work from its inception in 1946 to the end of operations on 31st January 1952. An announcement has also been made on the operations of the Refugee Emergency Fund being raised by the UN High Commissioner for Refugees who has been made responsible for the few refugees who remained under the care of IRO. It came into existence on 2nd February 1952. [For further information on continuing arrangements for refugees see 24.1.52 2h(1)].

Work of IRO

In four and a half years over 1,100,000 persons were repatriated or resettled by IRO, and provision was made for the permanent care of nearly all the residual group, at a total cost of \$430 million. For the period of 1st July 1947—until then IRO had functioned as a Preparatory Commission—to 7th February 1952, total contributions received amounted to over \$398.5 million. The United Kingdom share of this was the equivalent of \$76.2 million, the second largest contribution after the United States. Of the total of 1,038,000 persons resettled from 1st July 1947 to 31st December 1951, 86,346 came to the United Kingdom, the fifth largest total of admissions. [For an account of the total estimated aid to refugees given by the United Kingdom, both directly and through the IRO and various other agencies and international measures, see 24.1.52 2h(2)].

Liquidation of the IRO is being carried out in Geneva by a small closure staff, in charge of a Board of Liquidation, consisting of representatives of the Governments of France, the United Kingdom and Venezuela. The Board will also supervise the production of an official history of the IRO, which is to be published in English by the Oxford University Press, and in French by the *Presses Universitaires de France*. The United Kingdom member of the Board is Mr. Beith, permanent delegate of the United Kingdom to the European Office of the United Nations.

Refugee Emergency Fund

It was announced in the House of Commons on 30th June that the United Kingdom Government proposed to contribute £100,000 to the fund of the UN High Commissioner for Refugees, whose office is at Geneva. In February 1952 the UN General Assembly authorized the High Commissioner to appeal for funds to provide aid to the most needy groups of refugees under his mandate. The High Commissioner considered that \$3 million (approximately £1 million) would be required. Contributions received by 1st July included \$19,300 from the Swedish Government, \$13,095 from the Government of the Federal Republic of Germany, \$2,831 from the UK High Commissioner in Germany and \$3,290 from private individuals.

Allocations made so far from the fund include \$1,000 given to the Tolstoy Foundation in Brussels for the maintenance of some refugees from Shanghai who had been granted entry permits to Belgium. The Refugee Service Committee in Beirut has received \$1,000 and the Refugee Service

Committee in Turkey \$1,500. This money is being used by these organizations for their normal welfare programme for absolutely destitute refugees. On 18th June it was announced that \$20,000 from the Fund had been allocated to refugees in Trieste who were in ill health, more particularly tuberculosis patients, to provide them with supplementary food. The Allied Military Government in Trieste are being asked to undertake the administration and distribution of the aid on behalf of the High Commissioner in co-operation with voluntary agencies working in the area. The flow of refugees from south-eastern Europe into Trieste has been increasing during the past two years. The IRO, during 1951, made special arrangements to assist the resettlement elsewhere of refugees in Trieste and during the last six months of 1951, 2,397 people were moved.

Refugees in the United Kingdom

Some details were given in the House of Commons on 30th June regarding the numbers of refugees admitted to the United Kingdom. The Under-Secretary of State for the Home Department said in reply to a question:

‘In the period between the end of the war and 31st March of this year 302,396 foreigners who can be regarded as refugees either entered the United Kingdom or, having entered the United Kingdom during the war, were allowed to remain here. Well over 80,000 of these foreigners have, however, returned to their own countries or emigrated to some other country.

Poles	..	..	..	235,388	Estonians	..	..	..	5,688
Latvians	..	..	..	14,483	Czechs	..	..	..	3,257
Yugoslavs	..	..	..	9,718	Hungarians	..	..	..	3,109
Lithuanians	..	..	..	6,947	Stateless or uncertain	..	..	..	22,062
					Other Nationalities	..	..	..	1,744
									<hr/> 302,396 <hr/>

For an account of the technical assistance activities of the United Nations Relief and Works Agency for Arab refugees (UNRWA), and the United Kingdom contribution to that Agency, see 2c in this issue.

INTERNATIONAL SURVEY

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20/7/52

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The Fiftieth Soviet Veto

'A Golden Anniversary . . . of Frustration'

On 9th July, the Soviet Union's representative in the Security Council vetoed a United States proposal to condemn the spreading of false charges of germ warfare which increase tension among nations. This was the 50th occasion on which the representative of the Soviet Union had vetoed resolutions which had obtained the necessary seven affirmative votes in the Security Council. The Netherlands representative described it as 'a golden anniversary . . . of frustration of the work of the Security Council'. The only other use of the veto has been by France on two occasions.

The following list records the subjects of resolutions vetoed by Soviet representatives in the Security Council:

1. 16th February, 1946—Presence of British and French troops in the Levant States.
2. 18th June, 1946—Spain. Findings of a Committee to investigate a Polish charge that the Franco régime was a threat to peace.
3. 26th June, 1946—Spain. Council to keep Spanish question under observation.
4. 26th June, 1946—Spain. President's ruling that a motion was procedural.¹
5. 26th June, 1946—Retention of Spanish question on Council's agenda did not in any way prejudice the rights of the General Assembly under the Charter.
- 6, 7, 8. 29th August, 1946—Admission of Jordan, Portugal and Irish Republic as members of the United Nations.
9. 20th September, 1946—Greece. Establishment of a committee to investigate border incidents.
10. 25th March, 1947—Corfu Channel incident.
11. 29th July, 1947—Greece. Establishment of a mission to investigate the situation.
- 12, 13, 14. 18th August, 1947—Admission of Jordan, Irish Republic and Portugal as members of the United Nations.
- 15, 16. 19th August, 1947—Greece. Australian proposal to take steps to relieve tension, and United States resolution calling upon the neighbours of Greece to desist from helping guerillas.
- 17, 18. 21st August, 1947—Admission of Italy and Austria as members of the United Nations.
- 19, 20. 15th September, 1947—Greece. United States resolution to invite the General Assembly to make recommendations. Soviet used a double veto.
- 21, 22. 1st October, 1947—Admission of Italy and Finland as members of the United Nations.
23. 10th April, 1948—Reconsideration of Italy's application for membership.
- 24, 25. 24th May, 1948—Czechoslovakia. Chilean charge that USSR had interfered in Czechoslovakia.
26. 22nd June, 1948—Approval of reports of the Atomic Energy Commission.
27. 18th August, 1948—Admission of Ceylon as a member of the United Nations.
28. 25th October, 1948—Berlin dispute.
29. 15th December, 1948—Admission of Ceylon as a member of the United Nations.
30. 8th April, 1949—Admission of Republic of Korea as a member of the United Nations.
31. 7th September, 1949—Admission of Nepal as a member of the United Nations.
- 32-38. 13th September, 1949—Admission of Portugal, Jordan, Italy, Finland, Irish Republic, Austria and Ceylon as members of the United Nations.

¹On this occasion the French representative also voted against the motion.

39. 11th October, 1949—Approval of plan of work for Commission on Conventional Armaments.
40. 18th October, 1949—Approval of Commission's plan for exchange of information on Conventional Armaments.
41. 18th October, 1949—Submission of information on conventional armaments and atomic weapons.
42. 13th December, 1949—Resolution welcoming Round-Table Agreement on Indonesia.
43. 13th December, 1949—Direction to United Nations Commission on Indonesia to observe the implementation of the Round-Table Agreement.
44. 6th September, 1950—Korea. United States resolution to prevent Korean conflict spreading.
45. 12th September, 1950—Despatch of Fact-Finding Commission to investigate Chinese People's Government's complaint of United States bombing.
46. 12th October, 1950—Recommendation of re-appointment of Mr. Trygve Lie.¹
47. 30th November, 1950—Korea. Resolution to prevent Korean conflict from spreading to other areas.
48. 6th February, 1952—Admission of Italy as member of United Nations.
49. 3rd July, 1952—Germ warfare charges in Korea. United States resolution requesting investigation by International Committee of the Red Cross.
50. 9th July, 1952—Germ warfare. US resolution condemning spread of false charges.

United Nations Headquarters

UK Gift of Panelling and Furnishings

It has been announced by the UK Ministry of Works that at the invitation of the United Nations Secretary-General, the United Kingdom Government is to give to the permanent headquarters building of the United Nations the panelling and furnishings for one of the committee rooms. This gift has been shipped across the Atlantic for installation in New York, the panels being due to arrive at the end of June.

The English oak panelling (natural colour and wax polished) is designed with horizontal bolelection moulded panels² alternating with square fielded panels,³ the latter bearing carved motifs of British fauna and flora. The panelling was designed by Mr. C. T. Pledge, of the Chief Architect's Division, Ministry of Works, after consultation with Mr. Howard Robertson, who was the British member of the Board of Design Consultants of the United Nations. The carved panels, bearing 84 different motifs, were designed and worked by Mr. John Skeaping.

The furnishings include tables and chairs in English oak and a green close-fitted super-saxony Wilton carpet. The tables consist of an elliptical delegates' table seating thirty-four, a secretariat table seating eight, and a conference officers' table. All the tables are fitted with loud speakers, and for simultaneous interpretation. The armchairs for the delegates and twenty-eight small chairs for the Press and public are covered in blue hide. The small chairs are also fitted for simultaneous interpretation. The tables and chairs were designed by the Supplies Division, Ministry of Works.

¹This occasion does not appear in the official records of the Security Council, as the meeting was held in private, but it has been widely publicised and not officially contradicted.

²A moulding fixed round the edge of a panel and projecting beyond the surface of the framing in which the panel is held.

³A panel which is moulded, sunk, or raised, or is divided into smaller panels.

The Dean of Canterbury and Communist Propaganda

Statement by the Archbishop of Canterbury

The recent public activities of the Dean of Canterbury have given rise to much Press comment in the United Kingdom. They have also been the subject of questions in both the United Kingdom Houses of Parliament. In the House of Lords on 15th July, the Archbishop of Canterbury spoke of the Dean as 'a public nuisance to the Church and State', and of his 'unreason and self-delusion obvious to everybody but himself'. He emphasized that the Dean did not speak on political matters for the Archbishop, for the Church or 'for the generality of Christian people in this land', but only for himself. The Church, the Archbishop said, had no power to proceed against him. Even if his actions had laid him open to the charge of 'unbecoming conduct', the measure in force which covered this expressly excluded 'political opinions and activities'. On 14th July, the Attorney-General, Sir Lionel Heald, had said that in his opinion the evidence available in this case did not disclose a *prima facie* case of treason.

A summary of the Archbishop of Canterbury's statement will be found below. A text of this statement was issued as a roneod paper, R.2441 of 15.7.52 I. 1d.

SUMMARY OF RECENT EVENTS

The Dean of Canterbury, Dr. Hewlett Johnson, after a recent visit to China, gave a Press interview on 8th July in which he supported the current Soviet Communist allegations against the Unified Command in Korea of engaging in bacteriological warfare.

According to Press reports the 'evidence' adduced by the Dean was what he claimed to be 'the voice of the Christian Churches of China' which, he alleged, had entrusted him with letters and manifestoes. Apart from this, the Dean appeared to have nothing to describe which had not already become a familiar feature of Communist propaganda, such as the 'exhaustive and scientific assemblage of evidence at the exhibitions of germ warfare at Peking and Mukden' which he had accepted 'because I was not qualified to criticize', and the 'confessions' of two US airmen which, as the US delegate to the UN Security Council pointed out recently, were couched in Communist clichés, and un-English turns of speech no American would use [see *International Survey*, 10.7.52 1d(27)]. Asked why, if bacteriological warfare was so prevalent, it had not been more successful, Dr. Johnson replied that he could only suggest it was because of intensive training against it. 'I have seen pictures of children using chopsticks to pick up insects after they had been dropped. None of the children became infected'.

It was clear from comments on this interview, except those of the Communist *Daily Worker*, that the British Press was not impressed by the Dean's evidence. Nor was it impressed by the spectacle of a man in Dr. Hewlett Johnson's position supporting on hearsay evidence propaganda charges which the Communists had repeatedly refused to have investigated by the International Red Cross or any other impartial body—a refusal which had been condemned by members of the UN Security Council on 3rd July.¹

¹A resolution supported by 9 out of the 11 Security Council members was vetoed on 3rd July by the Soviet Union. The resolution noted that the Communists had rejected the offer of the World Health Organization to assist in combating any epidemic in

On 15th July, in answer to a question in the House of Commons, the UK Prime Minister, Mr. Winston Churchill, said that to establish a tribunal to inquire into the conduct of the Dean of Canterbury in disseminating the propaganda of persons engaged in hostilities with British troops, would invest his activities 'with an importance they do not possess'. The difficulties of setting up a tribunal on an individual in those circumstances for exercising or abusing the right of free speech, 'which we are all resolved to defend', would be almost endless. 'Free speech', said Mr. Churchill, 'carries with it the evil of all foolish, unpleasant and venomous things that are said, but on the whole we would rather lump them than do away with them'.

Lord Salisbury, the UK Secretary of State for Commonwealth Relations, said in the House of Lords on 15th July, that the Dean's conduct had 'shocked the broad mass of public opinion throughout the country; for after all extreme vanity and boundless gullibility are always an unattractive combination'. It was evident, however, that there was no legal action the Church at any rate could take, since the Dean had committed no offence such as heresy which would make him amenable to Church discipline, nor was he guilty of immorality. Moreover, as the Attorney-General had said, there was no *prima facie* case of treason.

SUMMARY OF THE ARCHBISHOP'S STATEMENT

In answer to a question in the House of Lords on 15th July, the Archbishop of Canterbury said that the chief damage wrought by the Dean was that many people in Europe on both sides of the 'iron curtain', unaccustomed to the liberty enjoyed in the United Kingdom, in Church and State, were convinced that no Dean of Canterbury could possibly speak in public except as the mouthpiece of the Archbishop of Canterbury. There were even some who believed that the Archbishop and the Dean were the same person.

The Dean, the Archbishop said, was sincere, but could no longer see himself, his views or political affairs objectively. 'He has lost all sense of the right proportion of things and all the general controls of common sense'. If he had said that in his view, in the light of what he had heard in China, there was a case which called for investigation, nobody would have complained—'though it is relevant to add that Soviet Russia has vetoed every suggestion of an impartial inquiry'. But what he had done was to ignore the moral obligation to hear both sides of the case, particularly when the issue at stake was the future peace and welfare of the world. By his obvious failure to seek a fair judgment after hearing both sides in a matter of the utmost importance and of obvious complexity, and by his clear incompetence to judge such an issue in such a matter, the Dean brought resentment and ridicule upon himself and upon his office.

Plight of Christians in China

'The Dean brings back with him, and has circulated to your Lordships', the Archbishop went on, 'a document signed by 400 Chinese Christians, of all ranks and denominations. He proclaims that in China religion is free, and he believes it. My Lords, there are many people in England who

North Korea and China, and the US proposal for an impartial investigation of the Communist charges by the International Committee of the Red Cross. It therefore concluded that the charges must be presumed to be without substance and condemned the practice of fabricating and disseminating such false charges. For a summary of proceedings in the UN Security Council on this question, see 26.6.52 1d(18) and 10.7.52 1d(22). In the latter item will be found also an account of the history of the Communist bacteriological warfare propaganda campaign.

know far more about the state of religious affairs in China than the Dean does. Many of us have had words and messages passed to us from Chinese Christians by strange and devious ways which count for more than anything that the Dean has heard. We have knowledge which he lacks, or ignores, as to what it means to be a Christian in China at the present time; what it means to be a deviationist from the appointed policy; what it means to decline to sign a document such as that which he has brought back with him; and what it means not to respond sufficiently to "ideological remouldings". One absent name amongst those 400 names may be far more significant to anybody who knows than the whole 400 who put their names to that document.

'All that we know we cannot say, because to do so would only make things worse for so many of our Christian brethren. The Dean does not know what a pain and sorrow it is to many of us to hold silence, because that is what we are asked to do, for fear that if we spoke we should bring worse things upon our Christian brethren. It is lamentable that he should show himself so ignorant of the fact that there is another and more sombre side to the picture of the Church in China than that which he so happily observed. The existence of that other sombre side, well known to us, discounts the Dean's assertion of religious liberty; it robs his documents and his words of almost all of their significance—except this: that many of our Christian brethren in China do, in fact, believe what they have been indoctrinated to believe; and even if they do not believe it, they must still profess to do so.'

The Church and the Legal Position

Regarding the Dean's claim that the Archbishop had advised him to 'make contact with Christian leaders in countries I visit on my vacations . . .', in the correspondence, to which the Dean referred, the Archbishop had in fact impressed upon him 'the duty of resigning his office if he went on doing what he was doing'.

The Dean was free to hold what political views he pleased. 'But he has made it his chief concern to advocate them with all the fervour of a fanatic. He has become an active agent for their propagation. He has (although probably he does not realize it) allowed himself to be exploited by the managers of the political system which he supports, for their own ends'.

The Church, however, had no power to proceed against him. The Dean was not an atheist; he was not an official member of the Communist Party. He believed that Christian principles of peace-making and social justice were better applied in Communist countries than in the United Kingdom. That was not heresy. 'It is drawing a conclusion, from which I completely dissociate myself, from the same Christian doctrine that I hold'. But by throwing himself into a blind partisanship—'as he once confessed to me in a moment of candour, he is not very good at seeing both sides of the question'—he was regarded by many as sharing the atheism on which Communism is based. 'By that inevitable influence, he blurs the Christian witness against atheism and shocks those who know the sufferings and persecutions which Christians have had to bear at the hands of Communists'. He was not guilty of heresy in any legal sense. 'If he is guilty of unreason and self delusion to a remarkable degree, these faults do not, short of the stage of certifiable lunacy, expose anyone to legal consequences. . . .' Under the Church Dignitaries (Retirement Measure) 1948, and in a parallel Measure dealing with incumbents there was machinery for dealing with 'unbecoming conduct' but social or political opinions and activities were expressly excluded. The measures were designed to secure

to every clergyman the full rights of other citizens to freedom of speech and action in social and political matters. 'Even if we could, we would not remove that clause. . . . This right of freedom of speech is a very precious thing. It is a vital part of our traditions, civil and ecclesiastical, both. Every freedom can be abused. If it is abused often enough and severely enough, steps have to be taken to prevent the possibility of abuse and thereby every man's freedom is limited. It is a tragedy that abusers of freedom thereby jeopardise other men's freedoms. But it is wisdom to bear with folly and unreason and delusions, short of real danger to the body politic, as a price well worth paying to preserve this precious freedom of speech'.

A 'Public Nuisance' to be Endured

The Dean was a 'public nuisance to the Church and to the State', but the Archbishop believed that he was to be 'endured with such patience as we can command unless and until either he breaks some law, ecclesiastical or civil, and becomes a real danger to the public safety, when it will be the duty of Her Majesty's Government to take action. I trust that the Church and State may agree in this conclusion, and that we may help each other by sharing this liability between us, believing that it is still a small price to pay in order to keep supreme and unblurred our belief in freedom of speech as a vital concern to Church and land'.

A list of the fifty occasions on which the Soviet Union has used the veto in the United Nations Security Council will be found under 1c in this issue.

North Atlantic Treaty Organization

Changes in Southern European Command Structure

On 16th July General Ridgway, Supreme Allied Commander Europe (SACEUR), announced that, in accordance with the decision of the North Atlantic Council at its Lisbon meeting on the assignment of Greek and Turkish forces to NATO, there would be two land sectors within the Allied Command of Admiral Carney, Commander-in-Chief, Southern Europe. The North Atlantic Council had decided at Lisbon that the ground and air forces of Greece and Turkey assigned to NATO would operate under the over-all command of SACEUR through the Commander-in-Chief, Southern Europe [see 6.3.52 1f(33)].

The two land sectors would be: first, Allied Land Forces, Southern Europe, comprising as at present the Italian land forces assigned to SHAPE under Lieutenant-General Frattini, Italian Army [see 29.6.51 1c p.9]; and second, Allied Land Forces, South-Eastern Europe, to be commanded by a United States officer, who would be named later and who would have operational control of ground forces assigned to NATO by Greece and Turkey. Separate Greek and Turkish army commands would operate under his authority. The location of his headquarters had not yet been decided.

The nucleus of a tactical air force headquarters would be established with Allied Land Forces, South-Eastern Europe. This air headquarters would report to Major-General Schlatter, United States Air Force, Commander of Allied Air Forces, Southern Europe [see 29.6.51 1c p.9]. Both these new land and air headquarters would have international staffs in the same way as other NATO Commands in Europe.

The naval command arrangements would remain unchanged, and for the present the naval forces of Greece and Turkey would remain under their national Chiefs of Staff, operating in close co-ordination with the Commander, Allied Naval Forces, Southern Europe, and the Commanders of other Allied naval forces in the Mediterranean.

Titles of Subordinate Commands under SACLANT

It was announced on 21st July that agreement had been reached on changes in the titles of the Sub-Area Commands under the Supreme Allied Commander, Atlantic (SACLANT). When the names of SACLANT's subordinate commanders were announced on 10th April, it was stated that the titles of the Sub-Area Commands were still under consideration and might possibly be changed later [see 17.4.52 1f(59)].

The following changes have now been agreed. The naval sub-area commanded by Vice-Admiral Sir Maurice Mansergh (UK Commander-in-Chief, Plymouth) and previously entitled North-Eastern Atlantic Sub-Area, will be known in future as *Central Sub-Area*. The command of Rear-Admiral J. H. F. Crombie (UK Flag Officer, Scotland), previously announced as Northern European Sub-Area, will be known as *Northern Sub-Area*. The parts of these two commands which lie within the area of the UK Home Station Command [see 24.1.52 1f(8) and 17.4.52 1f(59)], will be known as *Western Approaches* and *Northern Approaches* respectively.

The corresponding Air Commands have been changed similarly. Air Vice-Marshal T. C. Traill (AOC No. 19 Group, RAF), previously designated as Air Commander, North-East Atlantic, will now be known as

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Air Commander, Central Sub-Area, and Air Vice-Marshal H. T. Lydford (AOC No. 18 Group, RAF) previously Air Commander, North Sea, will be entitled *Air Commander, Northern Sub-Area*.

Command Post Exercise 'Grand Alliance'

A command post exercise, known as *Grand Alliance*, was held at Metz from 16th to 18th July under the joint direction of Headquarters Allied Land Forces Central Europe, Allied Air Forces Central Europe, and Flag Officer Central Europe. The exercise, which was an operation without troops, was organized to give the staffs of these three headquarters experience in functioning in the field. General Ridgway, Supreme Allied Commander Europe, was present at the exercise on 17th-18th July.

UK Warships Visit Other NATO Countries

From 28th June to 4th July, after the conclusion of the NATO air-sea exercise *Castanets* [see 29.5.52 lf(73) and 26.6.52 lf(76)] in which they participated, three warships of the UK Home Fleet visited the Netherlands. The ships were the battleship HMS *Vanguard*, wearing the flag of Admiral Sir George Creasy, Commander-in-Chief, UK Home Fleet, and the destroyers HMS *Battleaxe* and *Broadsword*.

Mediterranean Fleet Visits Italian and Greek Ports

On 21st June, warships of the UK Mediterranean Fleet began a series of visits to Italian and Greek ports which have continued throughout July. The cruiser HMS *Glasgow*, wearing the flag of Admiral Lord Mountbatten, Commander-in-Chief, UK Mediterranean Fleet, began the series by calling at Taranto in company with the cruiser HMS *Gambia* and several destroyers and frigates. Several submarines visited Bari, and other ships have called at Barletta and Venice.

On 19th July Admiral Lord Mountbatten arrived at Athens on board his flagship, HMS *Glasgow*, on a four-day visit. HMS *Glasgow* was escorted by a squadron of the Mediterranean Fleet, another squadron of which called at Salonika. HMS *Daring*, the Royal Navy's most modern destroyer, paid its first visit to a foreign port in calling at the Greek island of Zante from 21st to 23rd June. Other ships are visiting Corinth and Corfu.

Figures of US military aid to friendly countries, scheduled under the Mutual Security Act of 1952, for the fiscal year ending 30th June 1952, and details of military off-shore procurement contracts worth \$684 million by the United States in the year ended 30th June 1952, will be found under 2b in this issue.

CORRIGENDUM

The combined exercise *Main Brace*, in which forces of eight NATO countries will take part, will begin on 13th September—not on 3rd September as stated in the issue of 26.6.52 lf(77)—and will continue until 25th September.

The Anglo-Persian Oil Dispute

Summary of recent developments: *On 23rd July the International Court of Justice gave its decision, by 9 votes to 5 that it was not competent to deal with the substance of the case brought against Persia by the United Kingdom Government concerning the Anglo-Persian oil dispute.*

On 23rd July Mr. Churchill, UK Prime Minister, stated in the House of Commons that the International Court decision on the question of competence did 'not in any way affect the validity of the claim' brought by the UK Government, nor did it affect 'the undoubted rights' of the Government to support the Anglo-Iranian Oil Company 'in its attempts to secure satisfaction for the wrong it has suffered'.

On 22nd July the Anglo-Iranian Oil Company stated that they would ask the International Court of Justice to appoint a sole arbitrator in the dispute under the terms of the Concession Agreement of 1933.

There have been changes of Government and widespread disorder in Persia since 16th July, and a brief account of these developments is given on p.13.

International Court Decision on Competence

The International Court of Justice delivered judgment on 22nd July on the question of its competence to deal with the substance of the UK Government's case against Persia in the Anglo-Persian oil dispute. The Court decided, by 9 votes to 5, that it had no jurisdiction in the case. The President of the Court, Sir Arnold McNair (United Kingdom), concurred in the majority decision but added a separate opinion giving his own reasons for concurrence. Dissenting opinions were given by Judges Alvarez (Chile), Hackworth (United States), Read (Canada) and Levi Carneiro (Brazil).

The hearings before the Court arose out of the Persian Government's formal refusal, filed on 4th February 1952, to recognize the jurisdiction of the International Court of Justice in the Anglo-Persian oil case. [The written observations submitted by both parties and their oral pleadings before the Court were given on 1.5.52 1h(57) and 26.6.52 1h(75) respectively].

Judgment of the Court

The Court's judgment stated that jurisdiction in the case depended on the declarations accepting the compulsory jurisdiction of the Court made by the United Kingdom and Persia, and as the Persian declaration was more limited in scope, the Court must base itself on that one [see 26.6.52 1h(78)]. Both the UK and Persian contentions concerning this declaration might be regarded as compatible with the text of the declaration, but the Court could not base itself 'on a purely grammatical interpretation of the text'. It therefore sought the interpretation which was 'in harmony with a natural and reasonable way of reading the text, having due regard to the intention' of the Persian Government at the time when it made its declaration. The Court was satisfied that 'it was the manifest intention' of the Persian Government 'to exclude from the jurisdiction of the Court disputes relating to the application of all treaties or conventions accepted by it before the ratification of the declaration'. The Court regarded as 'a decisive confirmation' of this intention the Persian law of 14th June 1931,

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at the beginning of the present dispute the company had invoked the arbitration clause and appointed an arbitrator, inviting the Persian Government at the same time to do likewise. The Persian Government had refused to appoint an arbitrator and the company had therefore asked the President of the International Court of Justice to nominate a sole arbitrator, in accordance with the Concession agreement [see 1.6.51 3a p.30]. This request had originally been made simultaneously with the UK Government's initiation of proceedings in the International Court. Consideration of this request had accordingly been deferred, but the application to the Court would be renewed.

The Company, it was stated, would also continue to take such legal measures as were open to them to prevent the sale of the oil from the Concession area. In this respect, they would have the full support of the UK Government, as was made clear by Mr. Churchill in the House of Commons on 23rd July [see above].

Disorder in Persia

Following Dr. Mussadiq's resignation on 16th July as Prime Minister of Persia, the Majlis nominated Qavam-es-Saltaneh as Prime Minister and the Shah authorized him on 18th July to form a new government. Qavam, in a statement broadcast immediately after assuming office, declared that a solution of the oil dispute with the United Kingdom would be the main item in his programme. He deprecated the previous Government's failure to solve the oil question, a failure which was leading Persia to ruin and plunging the country into disorder.

However, serious riots and disturbances throughout the country and an outbreak of mob violence in Teheran forced Qavam to resign on 21st July. By an overwhelming majority, both Houses of the Persian Parliament decided on 22nd and 23rd July to reinstate Dr. Mussadiq as Prime Minister.

UK Note on Transfer of Sterling to Persia

The UK Government, in a Note to the Persian Government on 16th July, stated that it had approved the transfer of £1,800 to Persia, as requested, for the payment of a fee to Professor Rolin, who appeared for Persia in the hearing before the International Court of Justice on the question of the Court's jurisdiction in the Anglo-Persian oil dispute.

The UK Note added that, although the Persian Government's action in depriving British interests of Persian oil had left the UK Government no alternative but to withdraw certain exceptional facilities hitherto granted to Persia, the UK Government had, in practice, authorized the Bank of England to approve transfers of sterling to and from Persia, subject only to such limitations as appeared necessary to protect the economy of the United Kingdom. Consequently approval had been forthcoming for the majority of transfers requested by Persia.

Prisoners of War in Korea

US Notes to USSR and Red Cross

The US State Department announced on 24th July that the US Government had sent Notes to the Soviet Union and the International Red Cross requesting special action to obtain compliance by North Korean and Chinese Communists with the 1949 Geneva Convention relating to prisoners of war.

The following is the text of the US Note to the USSR:

'Early in the course of the Korean hostilities, on 13th July 1950, the North Korean authorities issued a declaration stating that they would strictly abide by the principles of the Geneva Convention in respect to prisoners of war. On 16th July 1952, the Chinese Communist authorities issued a declaration of intention to adhere, with certain reservations, to the Geneva Convention of 12th August 1949, for the protection of prisoners of war.

'Up to the present time, the Chinese Communists and North Korean authorities have failed to observe the provisions of the Geneva Convention. More specifically the following provisions which are of particular importance to the welfare of the personnel of the United Nations Command who are prisoners in North Korean and Chinese Communists hands have not been observed: inspection of prisoner-of-war camps by an impartial international body has not yet been permitted (Article 126); relief parcels have not been delivered (Article 72); and prisoner-of-war camps have been placed in areas in proximity to military objectives, exposing the prisoners to danger of attack (Article 23).

'The United Nations Command has consistently abided by the provisions of the Geneva Convention and has in good faith carried out the responsibilities laid upon belligerents by this Convention.

'It is, therefore, requested that in the interest of the accomplishment of the humanitarian objectives of the Geneva Convention the Government of the Union of Soviet Socialist Republics use its good offices with the North Korean and Chinese Communist authorities for the purpose of requesting them to observe the provision of the Geneva Convention.'

The text of the US Note to the International Committee of the Red Cross in Geneva was as follows:

'In view of the announced intention of the Chinese Communist authorities to adhere with certain reservations to the Geneva Convention of 1949 for the protection of prisoners of war, and in view of the statements of 13th July 1950 by the North Korean authorities that they would strictly abide by the provisions of the Convention in respect to prisoners of war, it is requested that the International Committee of the Red Cross again approach these authorities with a view to bringing about agreements under which this Convention can be applied by the North Korean and Chinese Communist authorities as it has been consistently been applied by the United Nations Command.

'The Government of the United States has requested the Government of the Union of Soviet Socialist Republics to intercede with the Chinese Communists and North Korean authorities to bring about conditions under which this Convention can be applied'.

US Mutual Security Programme

\$6,000 million Appropriated for 1952-53

On 16th July 1952, President Truman signed the US Mutual Security Act of 1952 which provides \$6,000 million for US military, economic and technical aid to friendly nations during the fiscal year ending 30th June 1953. This sum is \$1,900 million less than what the President asked Congress to approve [see 20.3.52 2b(16)]. The sums appropriated under the Act are allocated as follows:-

<i>Title</i>	<i>Area</i>	<i>Type of Aid</i>	<i>Amount (\$ million)</i>
I	Europe	Military	3,128
		Defence support	1,282
II	Near East	Military	499
		Economic and technical including aid to refugees	181
III	Far East	Military	541
		Economic and technical	271
IV	Western Hemisphere	Military	52
		Economic and technical	20
	Miscellaneous	Provisional Intergovernmental Committee for the Movement of Migrants from Europe	9
		Shipment of relief packages	2.5
		UN technical assistance	9
		UNICEF	6.5
TOTAL			6,001

In addition, all unexpended balances uncommitted from the appropriations for 1951-52 will be brought forward. The United Kingdom was allocated \$300 million under the 1951 Act of which \$100 million has still to be collected. It is also due to receive about \$100 million under the US Mutual Defence Assistance Act of 1949 for machine tools which have been ordered but not yet delivered.

US Offshore Procurement in Europe

\$684 million in Year Ended 30th June, 1952

It was announced in Paris on 15th July by Mr. William Draper, Jr., United States Special Representative in Europe, that the United States had placed about \$684 million worth of military orders in European countries in the form of offshore procurement¹ contracts during the fiscal year ended 30th June 1952. The goods ordered included ammunition, explosives, electronic and engineering equipment, special transport vehicles and naval auxiliary vessels.

About \$600 million worth of these contracts were, he said, being financed from the US Mutual Security funds and the items purchased would be distributed to the various NATO countries other than the

¹Purchases made on behalf of one country from another paid for by US funds.

United States. The remaining sum, about \$84 million, represented contracts financed by the US Defence Department which would provide military material for the US forces themselves.

The orders were placed in the following countries:-

\$ million				\$ million			
Belgium	46	Luxembourg	0.3				
Denmark	6	Netherlands	38				
France	335.5	Norway	6				
Greece	11	United Kingdom	69				
Italy	129	Non-NATO countries	43				
				TOTAL 683.8			

New Opportunity for Europe to Earn Dollars

Commenting on these contracts Mr. Draper said: 'It is hoped, in accordance with the purposes of the US offshore procurement programme, that these military contracts will not only assist members of the North Atlantic Treaty Organization by supplying needed military end-items and by strengthening European defence production facilities, but will also be of great economic benefit to Western Europe during the coming year through increased employment and through providing hundreds of millions of dollars needed for essential imports. The contracts are payable in dollars and should permit the importation from the dollar area of additional raw materials, machinery and other goods for increasing the countries' own defence production effort and for maintaining or raising the civilian standard of living.

'The total offshore procurement contracts placed in Europe, amounting to nearly \$700 million were in addition to normal housekeeping expenditure for the US armed forces in Europe; nor did they include US construction contracts entered into during the year, or US contributions toward the NATO infrastructure programme. These additional supply and construction contracts and military programmes are providing both employment and dollar exchange to NATO countries, just as do the offshore procurement contracts, for the economic benefit of Western Europe.'

For US announcement of readiness to provide funds for aircraft production in Europe see 10.7.52 1f(78).

Internal Finances of OEEC Countries

Report to OEEC by International Group of Economists

On 20th July a special Ministers' Committee of OEEC under the chairmanship of Sir Arthur Salter (UK), approved the broad lines of a report submitted to it by a group of independent economists who were appointed by OEEC in March to examine the internal financial situation of member countries, the United States and Canada. Member countries of OEEC will submit their comments on the report before the end of September. It will then rest with the full Council of Ministers of OEEC to make recommendations.

Principles Governing Financial Policies

The report focuses attention on the effect of internal financial policies on external economic relationships, such as the balance of payments, and

stresses that financial policies should be designed not only to combat inflation or deflation but also to 'respond in an appropriate manner to general changes in international markets'. This, it maintains, implies obligations for creditor countries as well as for debtors to make the necessary adjustments to restore equilibrium.

Turning to the various instruments available to governments in combatting inflation, the report points out that fiscal measures, such as budget surpluses, and direct controls, such as the regulation of imports, are usually inadequate by themselves and need to be reinforced by suitable monetary measures, such as steps to bring about the curtailment of credit.

Adverse Developments Since 1950

In a review of developments since the outbreak of war in Korea, the report states that 'in some cases local inflation, outstripping what took place in the United States, in other cases a failure to respond adequately and with sufficient speed to adverse changes, have brought about a considerable worsening of the external position of certain member states latent with danger to the prosperity of the group as a whole.'

The United Kingdom's New Monetary Measures

The report considers that the efforts of the British Government to fight inflation should be maintained and perhaps tightened. It expresses the view that the monetary measures introduced in the United Kingdom since November [see 16.11.51 3g p.51, 7.2.52 2e(9) and 20.3.52 2e(12)] amount to a 'virtual revolution in policy', and that their cumulative effect is to restore the monetary mechanism to 'something of the place which it held in the days of Great Britain's financial strength'.

Future Prospects of Economic Expansion

The report concludes that the efforts of the member countries to re-establish equilibrium is not likely to be jeopardized in the immediate future by a general world depression, as the underlying conditions favour, on balance, a further growth of world economic activity. Any serious and persistent deficiency in aggregate demand is considered unlikely 'in a world where the backlog of uncompleted capital projects is still so considerable and where, moreover, to the capital shortage caused by the last war there has been superadded the new capital requirements caused by preparations to prevent a new one'. However, although a high level of economic activity in the United States is considered likely to continue, it is stressed that even mild variations in the United States demand for imports could have serious consequences for the economies of Western Europe.

Obstacles to the General Convertibility of Currencies

While emphasizing the importance of re-establishing the general convertibility of currencies, the report points out that the following obstacles will need to be overcome:

- (1) the practice of unco-ordinated strategic stockpiling;
- (2) the fragility of the present structure of international short-term debts;
- (3) inappropriate rates of exchange;
- (4) obstacles to freer trade;
- (5) the inadequacy of central bank resources.

Anglo-French Electricity Grid Link

On 7th July, the United Kingdom Minister of Fuel and Power, Mr. Geoffrey Lloyd, stated in the House of Commons that the UK Government and the British Electricity Authority (BEA) were considering a report, made by a joint committee of BEA and Electricité de France, on the technical possibility of laying a submarine power cable under the Channel to connect the electricity grids of Britain and France [see *Home Affairs Survey* 22.7.52 2e(45)].

The committee felt that such a project was commercially desirable because peak hours in the two countries took place at different times, for social, industrial and climatic reasons.

On 16th July BEA announced that it had approved the report in principle, had adopted the committee's recommendation to undertake a development programme, and had authorized an expenditure of up to £125,000 for that purpose. The sum would be used for initial research work, particularly on cables.

ECE Studies on Power Transfers

The Committee on Electric Power of the United Nations Economic Commission for Europe (ECE) recently devoted a two-day session to a general review of ECE activities concerning electric power. A study prepared by the ECE Secretariat on *Transfers of Electric Power Across European Frontiers* would, it was stated, be published at the earliest possible moment. Other studies on *Prospects Opened up by Technical Advances in Electric Power Production* and *Some Technical Aspects of the Transmission of Electric Power* had been prepared.

Anglo-French Television

During the week 8th to 14th July an important stage in the development of television was reached when a series of broadcasts were made linking Paris and London, and thence almost every city in the United Kingdom. [For the UK television stations and their coverage see *Home Affairs Survey* 10.6.52 1j(28)].

The programmes were introduced by the French Ambassador in London, M. René Massigli, and Mme. Massigli, and by the British Ambassador in Paris, Sir Oliver Harvey and Lady Harvey. They included scenes from the Eiffel Tower, the Louvre, and a boat on the Seine, as well as cabaret performances.

These programmes were not the first example of cross-Channel television. That was demonstrated in August 1950, when pictures from Calais were seen on British television screens. But the stretching out of the experiment to Paris was a much bolder development than the mere addition of an extra number of miles. In the new experiment not only two countries, but two different technical standards, were being linked.

The Director-General of the BBC, Sir William Haley, writing in the UK *Radio Times*, stated that this combined operation between Radio-diffusion et Télévision Françaises and the BBC was neither an engineers' nor a programme stunt. To be able to see instantaneously what was happening in another country would have a far greater impact than a description of the same events. When countries were capable of being daily linked by sight as well as by sound, the horizons of television viewers would be widened and international friendship and understanding increased.

International Materials Conference

Cotton-Cotton Linters Committee to Disband

On 24th June the Cotton-Cotton Linters Committee of the International Materials Conference announced that it had decided unanimously to recommend to member Governments that the Committee should automatically terminate its activities on 15th September 1952, unless the supply situation in cotton or cotton linters had deteriorated materially by then.

The Committee, which held its first meeting on 5th March 1951, has had the situation in cotton and cotton linters under continuous review since that date, but has never found it necessary to recommend allocation of either of these commodities. In March, the Committee agreed to suspend its activities until August, when the prospects for the next season could be appraised. However, reports in May indicated that the situation had improved so that supply and demand for cotton and cotton linters appear to be approximately in balance. The Committee, therefore, felt it advisable to review the situation now instead of waiting until August.

The Committee decided that it could safely take a decision now to end its activities, and unless there is a change for the worse it will not meet again.

Thirteen countries are represented on the Committee. They are: Belgium (representing Benelux), Brazil, Canada, France, the Federal Republic of Germany, India, Italy, Japan, Mexico, Peru, Turkey, the United Kingdom and the United States.

First International Seaweed Symposium

The first International Seaweed Symposium ever held took place at the Department of Zoology, Edinburgh University, from 14th-18th July. Representatives from 20 countries attended, including Australia, Canada, Chile, France, Federal Republic of Germany, New Zealand, Norway, South Africa, Spain, Sweden and the United States.

Besides the reading of a number of papers, the proceedings included discussions on phycology (the branch of botany dealing with seaweeds), algal chemistry (seaweed is a species of alga), seaweed utilization and conservation, and a survey of world resources of seaweed. Excursions were made to St. Andrews, to the Gatty Marine Laboratory, to Dunbar (for seaweed harvesting demonstrations), and to the Orkney Islands. A visit was also made to the Institute of Seaweed Research, at Inveresk Gate, Musselburgh, Midlothian.

The symposium was opened by the Secretary of State for Scotland, Mr. James Stuart, who mentioned the potential uses to which the hundreds of thousands of tons of seaweed growing round the shores of Scotland, might be put. The use of seaweed as a fertilizer and as an animal feeding-stuff might release many acres of land for growing crops for human consumption. Mr. Stuart, in speaking of the honour which Scotland felt in having a visit from such a representative body of international scientists, paid tribute to the work of Dr. Woodward of the Institute of Seaweed Research, and his colleagues, who were keeping Scotland in the vanguard of this important work.

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Uses of Seaweed

The most widely used products of seaweed have in recent years been agar and the various alginates. Agar is used as a solidifying agent for both medical and culinary purposes. Alginates are the salts of alginic acid, now the most valuable product of the seaweed industries. Sodium alginate is used in the production of transparent films and as a thickener in the textile industry. In surgery an alginate solution applied to a wound stops bleeding and pure alginates are so harmless that internal lesions may be fixed with an alginate dressing, which is ultimately absorbed with no ill effects. Other uses are in dentistry, pharmaceuticals, foods, polishes and emulsions.

Agar Production

Until the 1940s Japan produced something like 90 per cent of the world's agar, its 1935 production amounting to about 5 million lb. Wartime urgency gave rise to developments in Britain resulting in full-scale production of agar.

Scottish Research

In 1946, the Scottish Seaweed Research Association (now financed by the Government), outlined a five-year development programme, which has now been completed. It included a survey of Scottish seaweed resources from the biological, chemical and economic points of view, the development of harvesting and processing techniques and the provision of basic information on which new and extended uses for seaweed and seaweed products could be based.

The technical feasibility of mechanical harvesting of sublittoral brown seaweed has been established, and processes for the production of the algal chemicals, mannitol and laminarin, developed.

Research into surgical uses of laminarin has been carried out at the Beaumont Animal Hospital, Royal Veterinary College, London, and at Cambridge University as well as at the Department of Surgery at Edinburgh University.

Investigations into the use of seaweed as an animal feeding stuff and as a fertilizer are being conducted at Reading and Nottingham Universities.

Anglo-American Trade

Mr. Thorneycroft on the Dollar Problem

On 22nd July, the President of the UK Board of Trade, Mr. Thorneycroft, spoke to the American Chamber of Commerce in London of Britain's desire for trade and not aid. He described the difficulties which Britain was encountering in trying to sell more to the United States so that it could pay its way and in the long run buy more from the United States, and he appealed for a fair chance for British exporters in the American market.

On the problem facing Britain, Mr. Thorneycroft said '... The story of Anglo-American trade is nowadays simply a story of the dollar problem, a story of a desperate battle to sell enough overseas to pay for the food and raw materials and the manufactured goods we need, not only from you but the world. Some of you ... may think that if this battle for our economic survival is a desperate one it is only because it is being mismanaged by the generals. That is far from being the truth. Here in this island a population one-third of the size of the United States has to support itself on an area less than Colorado or Wyoming. A quarter of our entire national wealth was shot and blasted away by the second world war. And so we have to pay our way in these conditions in an increasingly competitive world or starve. That is why our weekly butter ration would not do for a drugstore breakfast. That is why we have to wait four years if we want a new car'.

Britain's problem, however, was only part of the world-wide economic problem of the free peoples—the lack of balance between the dollar and the non-dollar world. Factors in this situation were:

1. The increased self-sufficiency of the United States.
2. Although the United States was buying more and more from abroad the ratio of its imports to its production had fallen. For Britain the ratio of imports to production was about 20 to 30 per cent, and for Norway and Belgium about 40 to 50 per cent. For the United States imports accounted for 5.2 per cent of the gross national product in 1929, for 3.8 per cent in the years 1939-41 and, in spite of the European export drives, for only 3.3 per cent in the years 1946-50. Imports by the United States from Western Europe alone amounted to 2 per cent of the US gross national product before 1914, to 1.25 per cent in the nineteen-twenties, to 0.75 per cent in the nineteen-thirties and to less than 0.5 per cent since 1945.
3. United States production had doubled 'under the forced draught of the second world war', so that with most of the rest of the world fighting poverty and inflation and the primary producing countries wanting industrial equipment which only the United States could provide, the dependence of the rest of the world on the United States had grown.
4. There had been a great shift of United States imports since before the second world war from Europe to North and South America. Before the first world war half of United States imports came from Europe, between the wars 30 per cent, and since the second world war only 15 per cent.

The effect of these trends was to produce a big gap between United States imports and exports. The gap had been covered since the war by gifts and loans and Marshall Aid. This generosity and far-sightedness had won the admiration of Britain, where it was recognized that Americans

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were paying taxes so that the whole of the Foreign Aid programme—including, now, defence aid—could go through. But this did not solve the problem of trade; Britain wanted to increase its dollar exports.

Mr. Thorneycroft then said that at first sight there seemed to be few reasons why this could not be done. Sales of British manufactured goods in the United States amounted to only one-tenth of one per cent of American manufacturers' sales. But there were obstacles:

1. Although United States tariffs had been greatly reduced over the last eighteen years, Mr. Paul Hoffman had pointed out three years ago that 'many American tariff rates still remain high and in some cases prohibitory on a wide range of products, many of which are non-competitive with United States goods'.
2. United States Customs procedure 'is not exactly designed to make it easy for anyone to import anything into the United States'.
3. The Federal 'Buy American' Act and similar legislation of many States and municipalities hampered the efforts of British and other foreign manufacturers to get public contracts. This was a large field. 'In 1950 Federal, State and municipal purchases amounted to \$15,000 million. If we in the United Kingdom had secured only 2 per cent of that business in that year we should have doubled the value of our exports to the United States'.

The existing barriers against European exporters could be increased, because United States industry could appeal for tariff relief under the escape clause procedure of the US Trade Agreements Extension Acts of 1951. Over the past fourteen months there had been sixteen such applications, of which eight directly affected UK export trade valued in 1951 at over \$11 million. Mr. Thorneycroft said that it had been a relief to know that the US Tariff Commission had dismissed applications in respect of motor-cycles and blue cheese, but if other applications were successful they would strike a heavy blow at Western Europe's solvency. Moreover, exporters would not be willing to spend money in studying the US market if they thought that as soon as they began to make an impression new barriers would be raised against them. [For text of UK memorandum to US State Department on the implications of these applications, see 17.4.52 2e(18); for US reply, see 15.5.52 2e(24)].

Mr. Thorneycroft then said that this was no way to close the dollar gap. 'The point I want to make today is that the United States seems to be trying to solve the problem of its own gigantic surplus with the outside world without doing more than tinker with the very trade barriers which date from the time of the great depression. In fact some of your industries want to go even further and raise the barriers. But this seems to me to ignore all the fundamental causes which I mentioned earlier of the dollar gap—your increased self-sufficiency, your vastly increased production, your vastly strengthened competitive position. It seems to me in fact to be tackling a modern problem with out-of-date weapons. And what is the result? For you it has meant taxes at home and charity abroad. None of us in the United States, or here, or elsewhere in Western Europe can really think that this is the best solution. It is no part of our hopes and wishes that the citizens of the United States should tax themselves into poverty in order that their country might become the soup kitchen of the Western World. We want to pay our way, to sell more to you, so that in the long run, and it must I am afraid be the long run, we can buy more from you. And so we ask for a fair deal for our exporters, for a chance, if we send goods across three thousand miles of ocean, of free and fair competition with your own producers. We ask in fact for the free competition which has been the mainspring of your country's expansion and the glory of its tradition'.

Meeting of ICFTU General Council

The General Council of the International Confederation of Free Trade Unions (ICFTU) met in West Berlin from 1st-5th July, 1952. In addition to delegates from most of the affiliated organizations, representatives attended from thirteen International Trade Secretariats (ITS) and observers were present from the ILO, UNESCO and the Finnish Trade Union Federation. The American Federation of Labour (AFL) stayed away in protest against certain aspects of the policy of the organizations which it has criticized as being insufficiently aggressive in its anti-Communist policy. Mr. Oldenbroek, General Secretary of the ICFTU, was, however, able to tell the Council that a visit to the United States by himself and the President, Mr. Vincent Tewson, of the British Trades Union Congress, had 'cleared the air', and that it was now hoped that the AFL would play its full part within the organization.

Aims of ICFTU

In his presidential address, Mr. Vincent Tewson spoke of ICFTU's aims as safeguarding freedom and extending its boundaries, ending road blocks and barbed wire so that the ordinary decencies of human relationships might be enjoyed, and raising living standards everywhere. He called on the Soviet Union to prove its peaceful intentions by such simple evidence of good faith as freeing war prisoners and ceasing to obstruct the Austrian peace treaty. 'Our own international trade union organization', he concluded, 'is a partnership for progress. We are volunteers in the service of ordinary men and women and our movement expresses their desires to be free from war, domination and hunger.'

'This Council meeting will take stock of the progress the International has made in strengthening itself to realize those ambitions. From this meeting, there will come, too, positive and practical plans for us to carry out in the challenging months that lie ahead.'

The Year's Progress

Introducing the main report, Mr. Oldenbroek spoke of the extraordinary progress which had been made in reaching out to parts of the world never previously touched by any international trade union organization. Seven new organizations had been admitted to the organization in 1951 and at the end of the year it included 92 organizations in 69 countries with an estimated total membership of 53 million. Mr. Oldenbroek underlined the work of ICFTU in defence of trade union rights and in fighting Communist fifth columns in democratic countries. In France and Italy, he said, the Communists had now lost control over the unions but though the workers had deserted World Federation of Trade Unions (WFTU) organizations¹, ICFTU had not yet succeeded in roping them in.

Regional Activities

The General Council took note of further missions during 1950-52 to East Africa and the Middle East, and of the proposed start of a residential

¹A Communist-controlled body, see R.2232, *Guide to International Organizations, Part II*. The history of the breaking away from the WFTU of non-Communist trade unions and the setting up of ICFTU will be found in R.2351 *British Trade Unions and International Associations*.

education and training centre in Calcutta in September. The appeal for £250,000 for regional activities had been over-subscribed and the main requirements at present were of men rather than resources. The General Council took steps to tighten central control over the regional programme and to bring the ITS more closely into touch with this programme by offering them common facilities.

Productivity

In addition to the customary review of progress, the Council's main discussions centred round two major items: prices, wages and productivity, and programmes and policies of non-self-governing territories. A statement on the ICFTU attitude to wages, prices and productivity was adopted on the basis of a report presented by Mr. Lincoln Evans of the British TUC. The general tenor of the statement was that, with certain safeguards which would be assured by consultation between employers and trade unions at every level, the best means of insuring ever rising standards of living for the workers was to increase productivity while maintaining stable prices. Introducing the report, Mr. Lincoln Evans urged the trade unions to desert the outmoded conception that increased productivity was of interest only to the employer. The standard of living in any country depended in the last analysis on productivity. This had a sharp bearing on what they were doing in under-developed countries. They should not focus attention on shifts in political power for, unless there was a strong trade union movement, such shifts did not help very much. They should concentrate on building strong unions and increasing productivity.

Non-Self-Governing Territories

On the question of non-self-governing territories, as on other questions, the members of the Council have advocated and supported policies independent of those of their respective Governments. The representatives of the British TUC, for example, supported a moderately worded resolution criticizing the imprisonment of Mr. Pissas, General Secretary of the Cyprus Workers Union, for organizing a political independence meeting in Cyprus without permission. On another specific issue involving the UK Government, the delegate from Barbados opposed a suggestion that dependent territories should be placed under United Nations control, saying that the shortest cut to independence was via the British connection and that in the West Indies they would regard United Nations Trusteeship as a retrograde step.

Mr. T. O'Brien, of the British TUC, recapitulated the points made by Mr. Lincoln Evans in the debate on productivity and advised the peoples of the colonies not to put their trust in nationalist politics.

Youth Problems

A report on problems facing young people entering employment was considered and adopted.

The report outlined differing approaches to the organization of young workers in trade unions. It pointed out that in Germany, for example, special youth groups were the rule, whereas in Great Britain young workers are embraced by the general organizational arrangements of each union. ICFTU could not attempt to impose one or other of these points of view on its affiliated organizations, and the suggestion that a special Youth Department should be set up within the Secretariat had therefore been rejected.

The report made it clear, however, that ICFTU continues to devote attention to the problems involved, to co-ordinate the activities of affiliated organizations, and from time to time to call special conferences. The report concluded with a number of recommendations to affiliated organizations outlining useful action which they could take for the protection of working conditions for youth, for the development of vocational training and guidance, and for the reduction of juvenile unemployment. Ways in which co-operation could be developed with international bodies such as the ILO and UNESCO were also indicated.

Resolutions Adopted

The General Council passed a resolution promising solidarity with the Japanese workers in defence of their right to act collectively in the face of what it considered to be a renewed trend towards totalitarian government. Other resolutions repeated the opposition of ICFTU to Spanish membership of international organizations, attacked Latin-American dictatorships, condemned the racial and social policy of the South African Government, denounced the Communist charges of germ warfare in Korea and attempts to bring about repatriation of prisoners of war by force, and condemned the recent actions of Dr. Syngman Rhee.

Proposals for strengthening and co-ordinating trade union participation in the various organs of the United Nations concerned with economic questions were contained in a fourth resolution, presented by the Brazilian, Cuban, Chilean and Colombian delegations, which was adopted. In the absence of other ways of making trade union influence felt on international economic policy, this resolution called for the right of trade unions to put forward demands of a supra-national character and, if necessary, to use strike action to secure their implementation.

Trade Unions and NATO

A meeting of representatives from NATO countries was held in conjunction with the conference and re-affirmed support for Western defence measures. It further called for intelligent economic planning, and the fair sharing of any unavoidable burdens, as well as trade union representation in all national and international organizations dealing with the economic and social aspects of rearmament. No decision was reached on the form of consultative relationships to be sought by the trade unions with NATO and a further conference on the subject will be held in the autumn.

Safety in Mines Research

International Conference

The Seventh International Conference of Directors of Safety in Mines Research opened at Buxton, Derbyshire, on 7th July 1952. Previous conferences have been held in Britain in 1931, in France in 1933 and 1950, in Germany in 1935, in Belgium in 1937 and in the United States in 1948.

Informal Co-operation

International co-operation in the study of safety in mines is thus well established. In fact, it has gone on for much longer than the two decades covered by conferences. In the 19th century and the early years of the present century individual scientists and mining engineers exchanged views by correspondence and private visits and frequently supplied information to countries other than their own. In 1912, when the United States Bureau of Mines was formed, the first director called a meeting to obtain the advice of leading European experts on safety problems. In 1924 formal co-operation was established for the first time between the US Bureau of Mines and the Safety in Mines Research Board of Great Britain, which had been set up in 1921 [see *Home Affairs Survey* 24.5.49 Vol. 2, *Employment* p.12]. This co-operation has continued without a break, to the benefit of both nations.

International Conferences

The first international conference, in 1931, was organized by the British Research Board, and was attended by a small number of delegates from Belgium, France, Germany and the United States. As a result of their deliberations a system of regular interchange of information and visits between the participating countries was instituted and it was decided to hold further conferences periodically. This year's conference is being attended by over 80 delegates representing, as well as the original five countries, Austria, Canada, Holland, India, New Zealand, Nigeria, Poland, Southern Rhodesia and Turkey. Other countries, which have been unable to send delegates, have asked to be informed of the proceedings.

Discussions are to range over many topics, including firedamp explosions, the safety of electrical apparatus, coal-dust explosions, mining explosives, mine supports, fire hazards, ventilation and methane (firedamp) drainage. Papers will be read containing the most up-to-date considered opinions of different research stations and embodying information which will help to provide new solutions to the problems of the safety of mineworkers. All the papers, together with a report of the discussions, will later be published and will be made available to the mining communities of the world.

Research in Britain

The 29th Annual Report on *Safety in Mines Research, 1950* (HMSO, price 2s.), has recently been published, giving details of the scope of research work in Britain. The report covers studies in methods of fighting fire and explosion hazards in mines; problems of coal-face lighting, including large-scale experiments in the use of fluorescent tubes; engineering and metallurgical research, particularly on methods of flaw-detection in mining gear; and research on dust control and pneumoconiosis hazards.

UN World Social Report

UK Government's Views

On 14th July, in a speech to the fourteenth session of the Economic and Social Council, Sir Gladwyn Jebb, representing the United Kingdom, gave the views of the UK Government on a world-wide survey of social conditions made by the United Nations.

The survey is called *Preliminary Report on the World Social Situation* (E/CN.5/267) and was issued in June. It is mainly concerned with factors affecting the standard of living—population, health, food and nutrition, housing, education, conditions of work and employment, levels of income and welfare. There is much statistical material on all these but the authors point out that this is incomplete, often unreliable and not comparable. In the last three chapters the problems of three regions—Latin America, the Middle East and South and South East Asia—are discussed.

Purpose of the Report

The UK Government, said Sir Gladwyn, considered that the report achieved its purpose of being a starting point for drawing up 'a programme of practical action for the United Nations in the social field to be implemented in co-operation with the specialized agencies'. Its value as a stimulus to improving social conditions would be particularly great for those countries which lacked information of this kind. It also put into perspective the relationship between conditions in advanced countries and in less advanced countries. As to what should be done with the report, Sir Gladwyn did not see any point in sending it to the Social Commission for examination and elaboration of recommendations. That Commission was concerned with giving ECOSOC advice on specific problems of social welfare in the narrow sense of protecting vulnerable groups in society, whereas the word 'social' in the present report covered all activities which affected man, economic development and social development being merely different ways of looking at the same thing. Nor was it desirable to send the report to the specialized agencies for action. That would be equivalent to sending their own handiwork back to them, and they could be expected to take any possible action without prompting. Therefore, the UK delegation favoured leaving the report in ECOSOC as an aid to drawing up the Council's future programme of work.

Features of the Report

Sir Gladwyn emphasized the following points made in the report:

1. There was a growing awareness among the poorest people of the world of the possibility of their enjoying a better life. This, he thought, was an essential condition of progress.
2. Progress among the rural populations of underdeveloped areas was at a slow rate. This was all the more significant when it was remembered that three-fifths of the total population of the world lived on agriculture in these areas.
3. Startling results had followed recent attempts to control mass diseases, the abolition of which was a prerequisite to development.
4. World population was increasing rapidly at between 32 and 36 million a year, of which Asia accounted for more than a half.

5. This made the need for greater food production all the more urgent. It also drew attention to the lack of adequate housing which was one of the most serious deficiencies in the standard of living of large sections of the world's population.
6. Knowledge was the foundation for development and progress. Fundamental education had a vital rôle to play.
7. The family and community played an important part in supporting the individual in primitive societies. Sir Gladwyn thought that the social welfare worker should not limit himself to methods and techniques which were only appropriate in highly advanced and industrialized societies, but should make the best use of local traditions and organization in order to achieve his ends.

Self-Help

The UK delegation considered that the main lesson to be drawn from the report was the need for promoting self-help in underdeveloped areas. In the last resort, progress depended upon national effort and the willing co-operation of the people. The report pointed out that a country could absorb assistance from abroad only to the extent of its capacity to match international contributions and face heavy, continuing and expanding commitments. 'In other words', said Sir Gladwyn, 'the great challenge confronting our generation cannot be met by action on the part of the industrialized powers only. There must be a real dynamic effort on the part of the underdeveloped countries themselves.'

Selected statistics from the report are reproduced below:

TABLE I
WORLD POPULATION, MID-1950

				<i>millions</i>
	Population	Birth Rates per 1,000 population ¹	Crude Death Rates per 1,000 population ¹	Yearly Natural Increase ²
Africa	199	40-45	25-30	2.5-3.0
N. America	166	25	10	2.3
Latin America	162	40	17	3.5
Asia	1,272	40-45	28-32	12-18
Europe	594	24	13	5.3
Oceania	13	28	12	0.2
World Total	2,406	35-37	22-25	26-32

¹1947

²Basis 1947

TABLE II
EXPECTATION OF LIFE AT BIRTH
(Selected countries)

years

Country	Around 1900	1920-30	1930-40	1940-45
Africa				
Egypt	—	33.51	38.56	—
S. Africa (European) ..	—	59.63	61.00	63.77
N. America				
United States (White) ..	49.65	60.90	62.60	65.92
Latin America and Caribbean				
Barbados	—	—	—	51.00
Chile	—	—	36.55	38.85
Guatemala	—	—	36.53	—
Jamaica	—	38.15	—	52.90
Mexico	—	—	33.23	37.89
Trinidad	37.70	—	—	54.50
Asia				
India (including Burma)	23.80	26.73	—	—
Japan	43.41	44.13	48.33	57.90
Europe				
Denmark	54.60	60.60	62.90	66.66
France	47.00	54.14	58.79	65.25
Germany ¹	—	57.39	61.33	60.58 ¹
Italy	44.54	50.05	54.88	—
Netherlands	52.20	62.70	66.45	70.45
Spain	—	—	50.34	—
USSR ²	—	44.36	—	—
UK ³	—	57.60	60.81	68.77
Oceania				
Australia ⁴	57.00	61.23	65.31	68.35
New Zealand ⁴	59.32	64.10	66.94	—

¹Western Germany only³England and Wales²European part only⁴Including Aborigines

TABLE III
INDICES OF FOOD CROP PRODUCTION¹
Pre-War = 100

	Average 1946 and 1947		Average 1949 and 1950	
	Total	Per head	Total	Per head
Europe	71	69	94	89
N. and Central America	143	124	151	125
S. America	106	87	92	70
Far East	93	86	97	87
Middle East	104	89	111	94
Africa	110	98	128	109
Oceania	114	94	123	103
World	100	91	110	97

¹Wheat, rye, barley, oats, maize, rice, sugar and potatoes converted to equivalent calorific basis. All figures exclude USSR.

TABLE IV
COUNTRIES CLASSIFIED BY SIZE OF PER CAPITA INCOME IN 1949

<i>Per capita income in US dollars</i>	<i>Africa</i>	<i>Middle East</i>	<i>Asia</i>	<i>Europe (including USSR)</i>	<i>Northern America</i>	<i>Latin America</i>	<i>Oceania</i>
1000 and above					United States		
600-999				Denmark Norway Sweden Switzerland United Kingdom	Canada		Australia New Zealand
450-599				Belgium France Iceland Luxembourg Netherlands		Venezuela	
300-449		Israel		Czechoslovakia Finland Germany (West) Ireland (Republic) Poland USSR		Argentina Uruguay	
150-299	Union of South Africa		Malaya	Austria Hungary Italy Portugal		Chile Cuba Panama	
100-149	Rhodesia (South)	Egypt Lebanon Syria	Japan	Greece Turkey Yugoslavia		Brazil Colombia Costa Rica Guatemala Mexico	
Below 100	Ethiopia Kenya Liberia Rhodesia (North)	Afghanistan Iran Iraq Saudi Arabia Yemen	Burma Ceylon China India Indonesia Korea (South) Pakistan Philippines Thailand			Bolivia Dominican Republic Ecuador El Salvador Haiti Honduras Nicaragua Paraguay Peru	

NOTE: The countries are listed alphabetically within each group. The concept of income used to calculate the *per capita* data is national income. Data are supplied by the United Nations Statistical Office.

Index to International Survey

Nos. 99-105, 3rd April to 26th June 1952, inclusive

In this index the first two figures refer to the day and month of a Survey issue of the current year, the next number refers to the volume, the letter to the section (guide card) and the figure in brackets to the page numbering within each section given at the top of the Survey page. Thus:

France: defence expenditure 21.2, 1f(23)

would be found in Volume 1 of the 1952 binders on the twenty-third page of section f (Western Defence).

For convenience, reference papers on international affairs issued during the period are also included in this index. The titles are shown in italics.

A

Aggression

Definition: UN General Assembly's Legal Committee discussion 7.2, 1a(9); 29.5, 1c(20); UK statement on 7.2, 1a(11)

Agriculture *see* Council of Europe, European Agricultural Pool, Food and Agriculture Organization, Plant Protection

Aid to Development *see also* Technical Assistance

Asian living standards, UK support for ECAFE 6.3, 2c(6)

Control of yaws, UK collaboration with United Nations 10.1, 2c(1)

Iraq, oil production developed by British companies 10.1, 2d(4); 1.5, 2d(19); 26.6, 2d(29)

Alexander, Field-Marshal Lord

EDC: discussions in Paris on association with UK 15.5, 1f(66)

SHAPE: visit to 17.4, 1f(61)

Statements: 'Britain and the Defence of Europe' broadcast 1.5, 1b(22); Defence, UK contribution 1.5, 1f(62)

Aluminium

European production increased, ECA report 10.1, 1f(5)

UK-US agreement on supplies 24.1, 2b(3)

Andrews, Vice-Admiral Sir W. G.

Appointed Deputy Supreme Commander, Atlantic, biographical note, 7.2, 1f(12)

Tour of NATO capitals 6.3, 1f(38)

Anglo-Iranian Oil Company *see also* Persia

Iraq, agreement with 10.1, 2d(5)

Antarctica

UK-Norwegian-Swedish expedition to Queen Maud Land 6.3, 2h(5); scientific programme of expedition 6.3, 2h(6)

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International Red Cross Conference

Charges against International Committee Refuted

In connection with the Communist charges against the UN Command in Korea of engaging in bacteriological warfare [see 26.6.52 1d(18) and 10.7.52 1d(22)], violent attacks have been made by official representatives of Communist countries and by all the organs of Communist propaganda on the International Committee of the Red Cross (ICRC) alleging it to be an agent of the US Government. These attacks began immediately after the ICRC had offered to investigate the charges, following a request to do so by the US Government. It was pointed out by representatives of non-Communist countries in the UN Security Council debate on the question that shortly beforehand the Roumanian, Polish, Hungarian and Chinese Red Cross had separately petitioned the International Committee to approach the US Government and the United Nations with a view to ending the alleged use of bacteriological weapons [see 10.7.52 1d(22)].

The International Committee of the Red Cross replied to the attacks in a report presented by its president, M. Paul Ruegger, to the 18th International Conference of the Red Cross which opened at Toronto on 26th July. An account of the conference, at which further attacks on the ICRC and attempts to cripple its activities by amending the statutes have been made by Communist delegations, will be given in the next issue.

Summary of the Report

The president's report, according to Press reports, stated that failure to receive co-operation from some nations for humanitarian work was not the fault of the Red Cross but 'a failure of our civilization'.

The report pointed out that the suggestion for an investigation of Communist charges that United Nations forces had used germ warfare in Korea came not from the ICRC but from the United States Government.

The Committee had begun to name a tribunal of Swiss scientists, to be augmented by others from non-combatant Asian countries, but the entire plan had been dropped because North Korea refused to have anything to do with it.

The Soviet, Communist Chinese and North Korean delegations had claimed at the conference that the ICRC was only a tool of the United States Government, since Washington had only to suggest an investigation and the committee would start preparing one. 'It might just as well be claimed that the ICRC is in the pay of the Government of North Korea, since it was sufficient that this Government should refuse this investigation for the ICRC to abandon it.'

The Red Cross had been prevented from helping Soviet soldiers in German prisoner-of-war camps during the second world war because the Soviet Union had barred the Red Cross from its own camps. Germany had provided a list of Russian prisoners, but had later refused to furnish any more because no news was sent in return from Russian camps. 'How could that Power [the USSR] expect the ICRC to obtain from its enemy what it withheld itself?'

Among the other main Communist charges and the ICRC replies were:

1. The ICRC had '*white-washed German concentration camps*': In fact, the report stated, almost to the end of the war Germany had

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forbidden access to concentration camps and the ICRC had finally discovered names of some prisoners and had sent 750,000 parcels to them.

2. The ICRC '*did not put an end to concentration camp horrors*': The Committee commented that the most powerful nations of the world took six years to achieve this.
3. The ICRC '*depends for its finances on the Anglo-American bloc*': The Committee stated that its work was financed by voluntary contributions. From 1939 to 1951, Switzerland had contributed 33.7 per cent, Japan 14.2 per cent, and Britain and the United States a total of about 15 per cent. 'Is it the fault of the ICRC if certain countries have not shown generosity with regard to its work?'
4. The ICRC had '*drawn up "optimistic" reports on the Koje Island prisoner-of-war camps in Korea and had "concealed atrocities"*': The report noted that the Committee had promised to provide as soon as possible a detailed report on the Koje incident. It added: 'If accusers assume the rights of criticizing the activity that ICRC delegates have been authorized to carry out in South Korea, they are careful not to remind anyone that this activity had been developed without any measure of reciprocity'. Not a single ICRC delegate had been permitted to enter North Korea. 'Every intervention of the ICRC in the interests of prisoners of war or of the interned civilians in North Korea has been systematically rejected, in spite of the provisions of the Geneva Conventions'.

Foreign Bases of the Soviet Union

UK Statement in the UN Disarmament Commission

The UN Disarmament Commission continued during the first ten days of June and again on 24th June to discuss the proposals for reducing armed forces put forward on 28th May by the United Kingdom, French and United States representatives [see 29.5.52 1d(10) and 12.6.52 1d(16)] but no progress was made towards bridging the gap between the Western and Soviet positions. The Commission is due to meet again shortly to consider the drafting of its report, which has to be circulated to Governments for consideration before the General Assembly opens on 14th October.

In the course of these discussions, M. Malik, the Soviet representative, condemned US possession of bases in foreign territory. M. Malik was answered by Sir Gladwyn Jebb (UK) in the following terms:

'What are we to think of the Soviet Union which, immediately after the war, proceeded to occupy in great force a number of countries in Eastern Europe and maintained large garrisons in those countries long after those people whom they now unfortunately regard as their opponents had demobilized their own armed forces almost to the vanishing point? What are we to think of the appointment of a Soviet Marshal actually to command and to organize the forces of a theoretically independent State? How can this be squared with the professedly pacific designs of the rulers of the Soviet Union?'

'I should like to know how many bases and airfields does the Soviet Union now maintain outside the frontiers of the Union itself. Indeed, sometimes one comes to the conclusion that the Soviet Union makes no distinction at all between its own frontiers and the frontiers of those States forcibly associated with it.'

Pacific Security

ANZUS Organization for Defence Agreed

At the conclusion on 7th August of the first meeting of the Australian, New Zealand, United States (ANZUS) Council at Honolulu [see 10.7.52 1e(7)] a joint communiqué was issued by the Foreign Ministers of the three Powers concerned on the decisions which had been reached at the meeting and on the measures to be taken for the establishment of an organization to carry out their mutual security treaty.

Defence against Aggression

The Foreign Ministers declared that the purpose of the ANZUS Treaty was 'solely the defence of its members against aggression', and that the treaty was fully consistent with the principles of the United Nations Charter and with the obligations of members under the Charter. In their discussion of how best to contribute by constructive measures to the security of the Pacific area, the Foreign Ministers had taken into account the membership of Australia and New Zealand in the British Commonwealth, and the United States participation in NATO and its association by treaty with the other American republics, with Japan and with the Philippines.

The ANZUS Council, the communiqué stated, 'discussed the ways and means by which it might contribute to the growth of the system of regional security [see 13.7.51 2e p.12 for the provisions of the Treaty in this respect] . . . and reaffirmed on behalf of the three Governments the need for collective defence in the Pacific area. The Council examined the possibility of providing arrangements for the association of other Governments in its work. Recognizing that the Council is just beginning to evolve its own tripartite organization and programme, it came to the conclusion that it would be premature at this early stage in its own development to attempt to establish relationships with other States or regional organizations. The Council would continue to keep in close touch through existing channels with other States concerned to preserve peace in the Pacific area.'

The communiqué said the Council had taken the opportunity to review situations of mutual concern to the three nations and had exchanged views on the operations of the United Nations in Korea and the problem of assisting the free nations of Asia to resist Communist imperialism. The three Foreign Ministers emphasized, however, that they 'neither reached any decisions nor undertook any commitments regarding matters of direct concern to our friends in the Pacific area or elsewhere.'

Annual Meetings of ANZUS Council

The ANZUS Council agreed to meet annually, one year in the United States and the alternate year in Australia or New Zealand. Special meetings to be attended by their deputies would be held in Washington to provide for continuing consultations. The deputy members of the Council would be, in the first instance, the Australian and New Zealand Ambassadors in Washington and Mr. David Bruce, US Under-Secretary of State.

Appointment of Military Advisers

The communiqué announced that a military representative from each nation would be appointed to advise on effective measures to be taken to implement the Treaty. Admiral Arthur A. Radford was designated as US military representative and Australian and New Zealand representatives would shortly be designated. An early meeting of these officers would be held at Honolulu 'to work out details of the military machinery, the general nature of which has been agreed to.'

Defence of South East Asia

Mr. MacDonald's Tour of Indo-China

Mr. Malcolm MacDonald, Commissioner-General for the United Kingdom in South-East Asia, after a ten-day tour in Viet Nam, Laos and Cambodia, said at a press conference on 7th August that the struggle against the Viet-Minh would be long and difficult, but he was convinced of final victory. It was only through the slow and gradual weakening of the Viet-Minh war potential, and through the reinforcement of the power of the Associated States, that the rebels would be defeated.

He had visited the Red River delta, which was being methodically pacified and the defence of which was more effective than ever. He had been deeply impressed by the statesmanship and foresight of the Emperor Bao-Dai, and by the determination with which M. Nguyen Van Tam, the Prime Minister of Viet Nam, framed the policy of his country.

Mr. MacDonald added, in reply to a question, that close contact was maintained between the French and British Governments regarding co-operation in the event of intervention by China in Indo-China. Some small-scale military aid was being given by Britain to the French expeditionary corps and to Viet Nam. The greatest contribution which Britain could make to the French effort in Indo-China, however, was to improve the situation in Malaya.

UK Air Secretary to Visit Middle East

The UK Secretary of State for Air, Lord De L'Isle and Dudley, will visit the Middle East Air Force from 10th to 28th August. He will fly to Fayid, Suez Canal Zone, via Malta and El Adem, and will then visit RAF stations in the Canal Zone and other RAF units in Cyprus, Iraq, the Persian Gulf, Aden, Jordan and North Africa.

North Atlantic Treaty Organization

Appointment of Land Forces Commander in SE Europe

It was announced in Paris on 28th July that General Ridgway, Supreme Allied Commander, Europe, had appointed General W. G. Wyman (United States) as Commander, Allied Land Forces, South-Eastern Europe. This command, formation of which was announced by General Ridgway on 16th July, will include the Greek and Turkish ground forces assigned to NATO and will form the second land sector under the authority of Admiral Carney, Commander-in-Chief, Southern Europe [see 24.7.52 1f(80)]. General Wyman is at present in command of the United States 9th Corps in Korea.

Head of Air Training Advisory Group Appointed

It was announced in Washington on 3rd August that Air Vice-Marshal S. D. Macdonald (RAF) had been appointed head of the NATO Air Training Advisory Group. This Group, which operates from Paris, is responsible to the NATO Standing Group in Washington for advising on standards of military air crew proficiency by co-ordination with the appropriate authorities of the NATO countries.

In November 1950 Air Vice-Marshal Macdonald was appointed Inspector-General of Air Training, Western Union, in which capacity he was responsible to the Chiefs of Staff, Western Union, for inspecting, and reporting on, all air training establishments of the Brussels Treaty Powers with a view to co-ordinating and improving Allied air training methods and technique [see 17.11.50 1c p.13]. From 1948-50 he was Assistant Chief of the Air Staff (Training) at the United Kingdom Air Ministry, and had previously been Air Officer Commanding No. 11 Group, RAF Fighter Command.

New Air Commander for Northern Europe

On 4th August it was announced that General Ridgway had appointed Major-General W. R. Carter (United States Air Force) to be Commander of Allied Air Forces, Northern Europe, under Admiral Sir Patrick Brind, Commander-in-Chief, Northern Europe. General Carter, who will take up his new appointment in Oslo on 15th August, succeeds Major-General R. K. Taylor, who had held the post since the organization of the command structure under the Supreme Allied Commander, Europe, was announced on 20th March 1951 [see 21.3.51 1c p.9].

Exercise 'Spearhead I'

From 1st to 10th August, the British Army of the Rhine took part in an exercise in Western Germany conducted by Lieutenant-General A. D. Ward, Commander of the 1st British Corps. The exercise, which took place in an area astride the Rhine between Emmerich and Wesel, was designed to give armoured divisions training in fighting on a wide front on a major river. The exercise involved defence by 'Eastland' forces against an assault across the Rhine by the attacking 'Westland' force, which obtained and attempted to secure two bridgeheads established between Emmerich and

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Wesel. The principal formations taking part were the 7th and 11th Armoured Divisions, the 2nd Infantry Division and Territorial Army parachute troops flown from the United Kingdom in transport aircraft of the United States Air Force. Also participating were the Royal Navy's Rhine squadron and RAF aircraft of the 2nd Allied Tactical Air Force [see 1.5.52 If(63)].

The exercise, which was carried out after consultation with Supreme Headquarters, Allied Powers Europe, was observed during important stages by Mr. Duncan Sandys, UK Minister of Supply, who was on a four-day visit to BAOR and the 2nd Allied Tactical Air Force, and by General Sir John Harding, Commander-in-Chief, BAOR.

Combined Exercise at Malta

United Kingdom and United States sea, land and air forces, together with units of the Malta civil defence and police forces, took part in this year's annual defence of Malta exercise from 7th to 9th August. The exercise was directed by Vice-Admiral Hawkins, RN, Flag Officer, Malta; Vice-Admiral Cassady, Commander, US Sixth Fleet; Air Vice-Marshal D'Aeth, RAF, Air Officer Commanding and Fortress Commander, Malta; and Major-General Hemming, General Officer Commanding, Malta.

In the exercise, ships and aircraft of the UK Mediterranean Fleet, units of the Army and Royal Marines under the Commander of the Malta garrison and RAF fighter and maritime squadrons defended the island against attacks by units of the US Sixth Fleet, US naval air forces and USAF and RAF bomber squadrons. Aircraft attacks by day and night were plotted at the Malta headquarters, where the regular staff was assisted by personnel of the recently formed RAF Volunteer Reserve, Malta, and by a detachment of the Women's Royal Auxiliary Air Force flown from the United Kingdom to Malta for the exercise. The Malta Civil Defence Corps practised bomb reconnaissance and bomb disposal procedure, and the Police Force assisted garrison troops in dealing with landing raids by 'saboteurs'.

UK and Canadian Warships Visit Turkey

Four warships of the UK Mediterranean Fleet—the light fleet carrier *HMS Glory*, the cruiser *HMS Cleopatra* and the destroyers *HMS Chevron* and *HMS Chivalrous*—arrived at Istanbul on 24th July for a visit of several days. *HMS Glory* was wearing the flag of the Flag Officer Second-in-Command, Mediterranean Fleet, Vice-Admiral Edwards. The ships were accompanied by a light fleet carrier of the Royal Canadian Navy—*HMCS Magnificent*—which is taking part in manoeuvres and official visits with the Mediterranean Fleet during its summer cruise.

Imperial Defence College Visit to Canada & USA

General Sir Frank Simpson, Commandant of the Imperial Defence College, accompanied by two members of the directing staff and 13 students, arrived in Ottawa on 4th August to begin a month's tour of defence establishments in Canada and the United States.

The West and Germany

UK Parliament Approves Contractual Agreements

On 1st August the UK House of Commons passed, by 293 votes to 253, a Government motion approving the contractual arrangements between the three Western Powers and the German Federal Republic concluded at Bonn on 26th May [see 29.5.52 lg(27)] and the treaty between the United Kingdom and the European Defence Community, together with the Protocol to the North Atlantic Treaty, which were signed at Paris on 27th May [see 29.5.52 lf(68)]. An Opposition amendment which, while accepting the aims of the agreements concluded by the Government, sought to reject their ratification as being inopportune at present, was defeated by 294 votes to 260.

Mr. Eden's Statement

In moving the Government's proposal to approve the agreements, Mr. Eden, UK Secretary of State for Foreign Affairs, outlined briefly their nature and scope, and said that the central purpose of the contractual agreements was 'to create a peaceful and prosperous European community of nations in which a democratic German Federal Republic can play a full and equal part'. He added that 'the same purpose underlies the Treaty which sets up the European Defence Community'.

'All these documents, and they are numerous and complicated,' said Mr. Eden, 'give a complex picture, but their meaning is simple and clear. First, it has been agreed that there shall be a European Community of Defence within the North Atlantic Treaty Organization, and in that European Community Western Germany is to play its full part. That is the heart of the matter. The Federal Republic accepts political, economic and certain military obligations towards Europe, and towards the Western world, and in return there is in these new agreements a new conception of its rights and sovereignty.'

Mr. Eden continued: 'In negotiating all this, it was not our purpose to try to keep as many of our special rights in Germany as possible. That was not what we tried to do. On the contrary, we sought to relinquish as many of them as we could. Those we do retain are not any reflection on the sovereignty or democratic nature of the German Federal Republic. They are there because they are the essential minimum, having regard to the presence of our forces in Germany and the nature of our obligations to Berlin and in other respects.'

Continuity of Policy

Mr. Eden stated that the agreements were the result of policies initiated by the Labour Government, which regarded them 'as the only possible answer to the Soviet policy of obstruction which divided Germany into two'. He then recapitulated briefly the developments which had led to the present position, and declared that 'ever since we joined in establishing a German Federal Government, as long ago as 1949, we have been committed to a gradual transfer of authority into German hands We cannot go back now on that broad decision.'

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Alternative Policies

There were two alternatives to the present policy, said Mr. Eden. The first would be to continue the occupation, a policy which would encourage all those forces in Germany which it had been the Allied aim since the war to eradicate, and would involve keeping the Germans 'indefinitely in isolation and subjection.' It would mean losing 'all chance of securing Germany as a partner in European unity and reconstruction'; further, it 'might well be forfeiting the only opportunity of a peaceful reunion of Germany herself in the future.'

The other alternative, said the Foreign Secretary, was to call a halt to the process of building up the unity and strength of the Western countries, and to enter into discussions with the Soviet Government. That policy, he thought, would lead to one of two situations: 'Either we should have to accept a German settlement on Soviet terms . . . or we should be embarking upon a general discussion with the Soviet Union without any clear idea where we hoped to get, and ending up with long and sterile discussions of the type with which we are already only too familiar.'

The recent Soviet Notes had emphasized that the Soviet Government wanted to return to a system of four-Power controls maintained by force until the conclusion of a peace treaty, and secondly, had suggested that the peace treaty itself should be worked out by the four Powers, and then presented to the German Government. The Soviet Union wanted a dictated peace treaty and not a negotiated peace treaty.

Attitude of the Western Powers on Four-Power Talks

With regard to the question of discussions with the Soviet Government on a German peace settlement, Mr. Eden declared that the position of the Western Powers had been made perfectly clear in the recent diplomatic exchanges with the Soviet Government. The Western Powers, he said, had offered two meetings: first, to prepare for free elections and, if that were agreed, a second to discuss a peace treaty. They had outlined a clear order of procedure which had been widely and generally endorsed in Western Germany: 'Free elections first; then the setting-up of a free all-German Government; and finally, the negotiation of a peace treaty.'

'It is our conviction', he said, 'that the resolute continuation of our present policies in Western Europe is essential if we are to obtain success in our meetings with the Soviets.'

Safeguards and Conditions

In dealing with the question of conditions¹ for a German contribution to Western defence, outlined by Mr. Attlee in February 1951, the Foreign Secretary stated that 18 months had elapsed since the decision approving such a contribution, and several months more must pass before the EDC Treaty or the contractual agreements came into effect, and no German units could be formed until that moment. It seemed probable that there would not be any active units until late in 1954. During all this time, the NATO countries were increasing rapidly their strength in armaments.

¹On 12th February 1951, Mr. Attlee, then UK Prime Minister, defined his Government's policy in the following terms: 'We have accepted the need for a contribution from Germany, but the time, method and conditions will require a great deal of working out. There is, first of all, the provision of arms. Obviously, the rearmament of the countries of the Atlantic Treaty must precede that of Germany. Second, I think the building up of forces in the democratic States should precede the creation of German forces. Third, the arrangements must be such that German units are integrated in the defence forces in a way which would preclude the emergence again of a German military menace. Fourth, there must be agreement with the Germans themselves.'

These German units would not be created and maintained—when they did exist—on a national basis. Under the EDC system, their maintenance and supply would be organized internationally, and decisions during the whole process of their creation would have to be taken by all the EDC Powers. EDC itself would operate within the wider framework of NATO. Mr. Eden added that every stage in these discussions and endless negotiations had been carried forward in consultation with the German Government.

The Opposition Amendment

Mr. Shinwell, the former Minister of Defence, moved the Opposition amendment, which stated that Parliament, 'while accepting the aim of the inclusion of a democratic Germany on a basis of equality, in a continental European community, which itself will form a part of a constantly developing Atlantic community; and while accepting the principle, subject to proper safeguards and conditions, of a German armed contribution to an international system of collective security, rejects Her Majesty's Government's present proposal as inopportune, particularly at a time when attempts are still being made by the Western Powers to discuss the German problem with the Union of Soviet Socialist Republics, and re-affirms the conditions first laid down in the House by the present Leader of the Opposition on 12th February 1951.'

In his statement to the House, Mr. Shinwell declared that the Opposition was in general agreement on the principles underlying the contractual agreements and related treaties, but regarded the present moment 'as premature for the purposes of ratification'. That, he said, was 'the narrow point' dividing the House. Mr. Shinwell argued that France and other European NATO countries should be further armed first, that there should first be assurance that German opinion had been sought in a democratic manner, that France and the German Federal Republic should be given the opportunity of ratifying the agreements and treaties first, and that there should be a further attempt to reach agreement with the Soviet Union within a reasonable time.

Korea

Survey by Minister of Defence

A statement on the course of operations in Korea and on the appointment of a British officer to the United Nations Commander's Staff was made in the House of Lords on 28th July by Lord Alexander, United Kingdom Minister of Defence. A similar statement was made on the same day in the House of Commons by Mr. Nigel Birch, Parliamentary Secretary to the Ministry of Defence.

MILITARY SITUATION IN KOREA

Reviewing the situation in Korea since the statements made by the Minister of State, Mr. Selwyn Lloyd, and himself, on 1st July [see 10.7.52 1h(91-93)], Lord Alexander said that there had been no significant change in the military situation or the strength of the opposing land forces in Korea since the end of June. On land, both sides were increasing the strength of their position, and a number of raids and attacks had been made both by UN forces and by the Communist troops. The latter had made use of their increased armament of guns to fire over 40,000 artillery rounds and almost 60,000 mortar bombs against the UN forces during the first half of July.

The Minister of Defence recalled that he was speaking on the first anniversary of the formation of the Commonwealth Division [see 4.5.51 2d p.13 and *Commonwealth Survey* 17.8.51 1b p.9]. He said he was very proud to read the commendation by General Van Fleet, Commander of the Eighth Army, of the Division's 'high courage, unwavering determination and all-encompassing battle excellence'. [See *Commonwealth Survey*, 1.8.52 1b(35)].

Continued Action to Limit Communist Build-up

Lord Alexander said that the UN Commander had 'continued to make full use of his superiority in air and sea power to limit the capacity of the Communists to undertake an offensive. . . .'. The co-ordinated air attacks of 23rd June on North Korean power plants [see 26.6.52 1h(83)] had been followed by a number of subsidiary attacks on these and similar targets. Examination of photographs taken after the raids suggested that about nine-tenths of the generating capacity in North Korea had been put out of action.

On 11th and 12th July a sustained air attack was made on military targets in the Pyongyang area. The Minister of Defence said that Pyongyang is a large enemy garrison city, communications centre and arsenal. The targets, which were carefully identified beforehand by air photography, included anti-aircraft installations, tank and vehicle repair shops and parks, supply installations and factories engaged in war production. Leaflets were dropped in advance, warning the civil population that military targets would be attacked and urging them to move away.

Naval aircraft had been engaged in these air attacks on military targets whilst naval units had continued to bombard enemy dock areas, rail communications and factory areas. Commonwealth air and naval units had participated in all these operations and, in particular, the aircraft-carrier *HMS Ocean* had maintained a 'consistently high standard', flying an average of 80 sorties a day.

UN Casualties since July 1951

Lord Alexander said that since the start of the armistice talks in July the UN forces, including South Koreans, had suffered over 80,000 casualties, including 16,000 killed. Included in these figures were about 2,500 Commonwealth casualties of whom over 400 were killed [see also 10.7.52 lh(88) footnote, for US and UK casualties and expenditure during this period]. During the first three weeks of July 1952, when no major operations were in progress, UN casualties amounted to nearly 4,000. 'We need', he said, 'to bear in mind in all our discussions on Korea that these casualties on our side are continuing day by day'.

BRITISH UN DEPUTY CHIEF OF STAFF IN KOREA

Lord Alexander announced that the officer selected, after consultation with the Commonwealth Governments, to fill the new post of Deputy Chief of Staff to the Commander of the UN Forces in Korea [see 10.7.52 lh(92)] was Major-General S. N. Shoosmith¹. He said that General Shoosmith would be appointed by the UN Command and 'will be in all respects an ordinary member of General Clark's staff with responsibility solely to him. By making this officer available Her Majesty's Government accept no more responsibility for the conduct of operations than they bear at present as a member of the United Nations who have entrusted to the United States Government the conduct on their behalf of the Korean operations.

'There will continue to be only one channel for consultation about Korea, and that is between our representatives in Washington and the United States Government and military authorities there. It is, of course, necessary for us to be kept informed of the progress of operations and of the many technical military matters which arise in the course of the daily work of Her Majesty's Forces in Korea. All this liaison work will continue to be carried out by the Chiefs of Staffs' representative accredited to General Clark's headquarters. All other Governments whose forces are engaged in Korea have liaison sections at headquarters in Tokyo, and these arrangements will not be disturbed in any way by the new appointment which is being made to General Clark's staff.'

Lord Alexander emphasized that the new Deputy Chief of Staff 'will be the same as any other Deputy Chief of Staff working for a Commander-in-Chief. He would not, of course, refer any matters outside his headquarters without the consent of his Commander-in-Chief.'

Armistice Negotiations

The armistice talks in Korea have continued to centre around the question of the repatriation of prisoners of war. On 30th July, in a statement made in the UK House of Commons, Mr. Anthony Nutting, Under-Secretary of State for Foreign Affairs, said that on 13th July, in a secret session of the armistice negotiations, General Harrison, the chief United

¹Major-General S. N. Shoosmith, who is 51 years of age, was first commissioned from the Royal Military Academy, Woolwich, in 1920. He served in France and Belgium in 1939-40, and was appointed Military Secretary to the British War Cabinet in 1941. From 1943-45 he served in North Africa and Italy, with the rank of Brigadier. He subsequently served in various appointments in Germany and as Chief of Staff of Anti-Aircraft Command. From November 1949 to early in 1952, General Shoosmith was successively Deputy Commander and Commander of the Army Staff, British Joint Services Mission, Washington. Further biographical detail on Major-General Shoosmith will be appearing shortly in the Biography Service.

Nations' representative, had made a proposal for a solution of the prisoner-of-war issue, in the course of which he had repeated a United Nations offer to permit individual interviews with North Korean and Chinese prisoners of war who have refused to be repatriated, by representatives of a bilaterally acceptable, impartial agency, or by joint teams with or without military representation; such interviews to take place after the signing of the armistice, with both sides agreeing to abide by the result of the free expression of choice by the individual interviewed.

After four days' recess, General Nam Il, the chief Communist delegate, rejected the whole of General Harrison's proposal, and, in particular, repeated the Communists' opposition to the principle of screening and their refusal to take part in screening in any form.

On 25th July the United Nations Command agreed to a Communist proposal to revert to open sessions. After one such session had been held on the following day, the negotiators agreed to a week's recess.

'The United Nations Command will,' Mr. Nutting said, 'of course, continue to make every effort to find a solution to the prisoners-of-war problem, which alone stands in the way of an armistice agreement, without prejudice to the principle, on which they have taken their stand, that no prisoner of war shall be forcibly repatriated.'

Results of Revised Screening of POWs

On 13th July General Harrison also submitted a new figure of some 83,000 prisoners of war who would not forcibly resist repatriation, obtained after a complete re-screening of all captured personnel. This figure, which included approximately 6,400 'Chinese People's Volunteers' and 76,000 Koreans, was not accepted by the Communist Commands. [For the figure obtained from the earlier screening, see 15.5.52 lh(63)].

Chinese Civil Aircraft at Hong Kong

Decision by Privy Council on Ownership

The Judicial Committee of the Privy Council, which is the final Court of Appeal for cases from the UK dependencies, on 28th July ruled that 40 civil aircraft, which have been immobilized at Kai Tak Airfield, Hong Kong, since 1949, were the property of the appellants, Civil Air Transport Incorporated, a US firm. The respondents, the Commercial Air Transport Corporation (CATC), an unincorporated commercial enterprise of the Chinese People's Government, who also claimed the aircraft, were not represented at the appeal. The 40 aircraft were subsequently transferred into the possession of the appellants in Hong Kong.

The Deputy Foreign Minister of the Chinese People's Government, Mr. Chang Han-fu broadcast a protest on 2nd August against the action of the UK Government and the Government of Hong Kong (which has been holding the aircraft pending the conclusion of the legal proceedings) in transferring the aircraft to the US company, demanded the return of the aircraft to China and issued a warning that the United Kingdom would be held responsible for all consequences of the decision.

PREVIOUS HISTORY OF THE AIRCRAFT

A total of 71 civil aircraft which were the property of two Chinese air transport organizations, the CATC and the China National Aviation

Corporation (CNAC)—both in effect organs of the Government of China—were based in Hong Kong in 1949. On 12th December 1949 the aircraft were sold by the Nationalist Government of China to two US citizens, General Chennault and Mr. Willauer, who at a later date disposed of their interest in the aircraft to Civil Air Transport Inc. In the meantime the Communists were rapidly gaining control of the Chinese mainland and on 6th January 1950 the Chinese People's Government was recognized *de jure* by the UK Government. Proceedings had however been started in the Hong Kong courts on 24th November 1949 by the (Nationalist) Government Boards of CNAC and CATC against the Chinese employees of the companies in Hong Kong who had claimed the aircraft of which they were and have remained in physical possession as the property of the Chinese People's Government, to which they had transferred their allegiance. Both parties have been restrained since November 1949 by Court injunctions from damaging or disposing of the aircraft in question.

The case relating to 40 of the aircraft, which were sold by CATC to the US appellants, was decided after prolonged litigation, by the Supreme Court of Hong Kong in favour of the Chinese People's Government as controlling CATC, and it is this decision which has now been reversed by the Judicial Committee of the Privy Council. The case for ownership of the remaining 31 aircraft, which belonged to CNAC, is still *sub judice* in the Hong Kong Courts.

Egypt and the Sudan

Mr. Eden's Statement on Developments in Egypt

In the course of a statement in the House of Commons on 28th July, Mr. Anthony Eden, UK Secretary of State for Foreign Affairs, referred to recent internal developments in Egypt which had led to the abdication of King Farouk in favour of his infant son, and stressed the interest of the UK Government in the emergence of a stable and orderly administration from the crisis in Egypt. He said that there had been no disturbances nor any threats to foreign lives and interests. Nevertheless in view of the unsettled conditions which inevitably resulted from events such as had recently taken place in Egypt, the UK Government had thought it right to authorize certain movements of British armed forces as a precautionary measure. Pending the return to Egypt from leave of the British Ambassador, the British Chargé d'Affaires in Alexandria had been instructed to make clear to the Egyptian Prime Minister that the UK Government had no wish to intervene in the internal affairs of Egypt, and that these military movements were related solely to possible danger to British lives.

On 6th August a statement was issued by the British Embassy in Cairo by agreement with the Egyptian Prime Minister, Ali Maher. The statement declared, with reference to recent meetings between Ali Maher and the British Ambassador, Sir Ralph Stevenson, that it was 'the earnest desire of the Egyptian and British Governments that the closest possible touch and friendliest relations should be maintained between them in the present critical situation'.

RECENT DEVELOPMENTS IN EGYPT

The Independent Government formed by Neguib El Hilaly on 1st March [see 20.3.52 lh(41)] was replaced by a new Government under Hussein Sirry on 3rd July. On 22nd July the Sirry Government fell and Neguib El Hilaly was re-appointed Prime Minister. The following day, however, there was a rising in Cairo inspired by a group of young army officers who seized control of the capital with the declared intention of delivering the Egyptian army and nation from the corruption which had begun at the time of the fighting in Palestine and had since been continued by profiteers. The leader of this army group was General Neguib, who has since been appointed Commander-in-Chief.

By 24th July, the young army officers were in control of all Egypt, and at their demand Ali Maher was appointed Prime Minister of a Government consisting mainly of Independents in succession to Neguib El Hilaly. Many senior officers of the Egyptian armed forces were put under arrest and the King obliged to dismiss his confidential advisers including Eli Andraos and Hafiz Afifi. On 26th July King Farouk was forced to abdicate in favour of his infant son Prince Ahmed Fuad and to leave Egypt the same day. Throughout this period order was maintained everywhere in Egypt.

A provisional Council of Regency composed of Prince Abdul Moneim, Bahi ed-Din Barakat and Colonel Rashad Mehanna was sworn in on 5th August to assume the constitutional powers of the Egyptian Crown until new elections are held and a permanent Regency Council is appointed by the resulting Parliament. The Parliament elected in January 1951 (which had a strong Wafd majority) was dissolved earlier this year.

UK Attitude to New King's Title

In answer to a question by Mr. Attlee, Leader of the Opposition, the Foreign Secretary, Mr. Eden, stated in the House of Commons on 28th July that the infant King Ahmed Fuad II had been proclaimed as 'King of Egypt and the Sudan' but that this proclamation could in no way change the attitude of the UK Government to the Egyptian claim to the sovereignty of the King of Egypt over the Sudan or 'the policy they have pursued and will continue to pursue in respect of the Sudan.'

Two Egyptian decrees were passed in October 1951 unilaterally abrogating the Anglo-Egyptian Condominium Agreements of 1899 and entitling the King of Egypt as 'King of Egypt and the Sudan' [see 19.10.51 2a p.15]. The UK Government have consistently refused to recognize the validity of these decrees. In a statement on 11th October 1951, the UK Government reaffirmed 'the two fundamental principles of their policy in regard to the Sudan, namely that they will agree to no change in the status of the Sudan without consultation with the Sudanese, and that they will maintain the right of the Sudanese freely to choose their own future status.'

The Anglo-Persian Oil Dispute

Arbitration Offer by Persia Withdrawn

Shortly after the reinstatement of Dr. Mussadiq as Persian Prime Minister [see 24.7.52 lh(99)] he had two interviews with Mr. Middleton, UK Charge d'Affaires in Teheran, on 25th and 28th July. It was stated by the UK Foreign Office that at the first of these interviews Dr. Mussadiq made an offer to resort to arbitration in the Anglo-Persian oil dispute. At the second interview, on 28th July, in the course of further discussions on the oil dispute, Dr. Mussadiq withdrew his offer. On 30th July, Teheran Radio broadcast an official Persian denial that Dr. Mussadiq had suggested to Mr. Middleton that the Anglo-Persian oil dispute be submitted to arbitration. It was subsequently reaffirmed by a spokesman of the UK Foreign Office that an offer to settle the dispute by arbitration had in fact been made by Dr. Mussadiq as previously stated.

The 'Rose Mary' Case

The Supreme Court at Aden, before which proceedings were brought by the Anglo-Iranian Oil Company in respect of a cargo of oil shipped in the tanker *Rose Mary* from Persia [see 26.6.52 lh(82)], on 2nd August granted an application by the plaintiffs (the AIOC) that further particulars be supplied on the written statements of two of the defendants—the ship's master and the charterers. The Court ordered that these particulars must be supplied by 23rd August and fixed the date for the plaintiff's rejoinder as 6th September.

AIOC Re-affirm Title to Persian Oil

The AIOC have issued a statement on the scope and legal effects of the decision by the International Court of Justice that it had no jurisdiction in the Anglo-Persian oil dispute, pointing out that this was not a decision on the merits of the case. The statement declared that 'The Company's title to crude oil and oil products derived or to be derived from the area of its operations in Persia is in no way affected by the decision. In attempting to deprive the Company of this title and appropriating to itself the Company's properties in Persia the Persian Government has acted in complete disregard of its solemn obligations to the Company and of the basic principle of the sanctity of contracts—a principle which is essential for the maintenance of the necessary confidence for the continued development of world trade.

'In these circumstances the Company remains confident that no oil company of repute nor any tanker owners nor business men of standing will countenance any direct or indirect participation in the unlawful actions of the Persian Government. Should, however, any concerns or individuals participate directly or indirectly in transactions affecting the crude oil and refined products concerned this Company will take all such action as may be necessary to protect its rights in any country.'

UK-US Tin and Steel Agreement

Progress of Deliveries

By agreements concluded between the United Kingdom and the United States Governments in January¹ the United States agreed to help the United Kingdom to meet its most serious shortage, steel, while the United Kingdom agreed to assist the United States to obtain supplies of aluminium, of which it was seriously short, and of tin.

Tin

In a statement in the UK House of Commons on 1st August, the Secretary for Overseas Trade, Mr. H. R. Mackeson, announced the satisfactory outcome of the arrangements for the supply of tin. The United Kingdom Government had almost completed purchases of the whole of the 20,000 tons of tin which it had agreed to supply to the United States in 1952 at the price of \$1.18 a lb. Therefore the UK Government had agreed to release the US Government from the limitations which the agreement imposed upon the buying of tin by the United States in competition with UK purchases on their behalf. The US Government had lifted the ban on the private import of tin into the United States which it had imposed in March 1951. This action was in furtherance of that part of the original agreement which expressed the desire that more normal arrangements for the conduct of trade in tin should be established as soon as possible. The text of Notes exchanged between the two Governments on this subject was published as a UK White Paper on 1st August [Cmd. 8630].

When the United Kingdom had completed its deliveries to the United States in accordance with the agreement, the total sales of tin would have realized nearly \$53 million. The net loss to the UK Government in carrying out the transaction was not likely to exceed £150,000, which was considerably less than was anticipated when the agreement was made.

Steel

In a written answer on the same day, the Minister of Supply, Mr. Sandys, said that of the million tons of steel which the United States was to supply to the United Kingdom under the agreement, 367,271 tons, out of 400,526 tons delivered by United States suppliers, had arrived in the United Kingdom. This left a balance of 600,000 tons which was to be made available by the end of December.

Marshall Scholarships

On 31st July, Mr. Eden, UK Secretary of State for Foreign Affairs, stated in the House of Commons that the UK Government had decided to give effect to the late Government's proposal to express the United Kingdom's gratitude for the generous and far-sighted European Recovery Programme by founding at UK universities 12 scholarships to be competed for annually by United States students. These scholarships would be

¹The texts have been issued as a White Paper, Cmd. 8464; a summary was given in *International Survey* issue of 21.1.52 2b(3).

open to men and women and would be tenable at any UK university. General Marshall had agreed that these scholarships should be known as 'Marshall Scholarships.'

Mr. Eden added that the Committee of Vice-Chancellors and Principals of the Universities of the United Kingdom had promised its full co-operation in giving effect to the scheme.

US Expression of Appreciation

An announcement by the US State Department on 1st August said: 'The generous offer made by the British Government is received with sincere appreciation and gratitude by the Government of the United States. It is not only a splendid expression of British friendship for the United States, but is also one more important step in furtherance of mutual understanding between our two countries.'

Brussels Treaty Organization

Cultural Identity Card Scheme Extended

The cultural identity card scheme inaugurated two years ago by the five Powers of the Brussels Treaty Organization—Belgium, France, Luxembourg, the Netherlands and the United Kingdom [see 21.4.50 1a p.7 and 24.1.52 2b(6)]—was extended to include five other members of the Council of Europe—Italy, Norway, the Saar, Sweden and Turkey—as from 15th July.

The aim of the scheme is to encourage study visits abroad. The card is issued to teachers, students, authors, artists, musicians, youth leaders, research workers and scientists, and gives the holder facilities in all these ten countries, such as free or cheap entrance to museums, art galleries, concerts, and theatres; access to libraries and archives not open to the public; authorization to attend university courses and scientific institutes and remission of fees at some of them; admission to students' restaurants and help in obtaining accommodation; facilities for obtaining or prolonging residence visas.

The existing Brussels Treaty card will continue to be used, but it is now specially stamped to make it valid in the five new member countries as well.

The card can be applied for at the Ministry of Education in each country, with the exception of the United Kingdom, where a list of authorities who deal with applications can be obtained from the British Council. It is issued free and is valid for a limited period. When an applicant is granted a card, he is given a booklet listing the facilities accorded in the particular country or countries he wishes to visit.

Education of Young Workers

A course on the education of young workers, arranged by the Brussels Treaty Organization in conjunction with the United Kingdom Ministry of Education, was held at the Trent Park Training College, near London, from 28th July to 7th August. The course was attended by 25 people, representative of all the five Brussels Treaty countries, and its main emphasis was on technical matters, the programme having included several visits to factories.

Development in Iraq

Oil Companies' Contribution

The Iraq Petroleum Company (IPC) and its associates, the Basrah Petroleum Company (BPC), and the Mosul Petroleum Company (MPC), which operate the Iraq oilfields under British management on behalf of an international group [for details see 24.8.51 3a p.17] made great progress during the year 1951, according to a report issued in July¹.

Production from the Kirkuk field reached the record total of 7,980,000 tons [for previous years' production see 6.4.51 3f p.34] but the outstanding event was the beginning of production from the Basrah concession and the progress made with the construction of the 30-inch pipeline from Kirkuk to Banias, completed on 22nd April 1952 [see 1.5.52 2d(19)].

In 1951 the three companies, in their search for oil, drilled a total of 124,088 feet, surpassing the previous record, established in 1950, by over 12,000 feet. This record is the more remarkable, according to the report, since more than one-third of the 1951 footage was at depths below 5,000 feet in the Basrah concession, where completion depths are greater than in any other major oilfield in the Middle East.

Apart from giving figures showing how production has been increasing, the report illustrates the vast capital investment needed to develop oil resources, the way this development makes possible a country's economic development in general, and the indirect benefits which such a company as IPC brings in the form of employment and social services to the country in which it operates.

Capital Investment

The report gives a number of instances of the high capital costs involved in developing the oil resources of Iraq for supplying world markets.

1. The beginning of exports from the Basrah concession in December 1951 marked the culmination of six years of intensive effort, during which over £18 million was spent before it was possible to deliver Basrah crude oil to seaboard.
2. 'In the Kirkuk field £1.2 million was spent in 1951 on the expansion of production facilities to ensure the availability of crude oil for the 30-inch pipeline, on which £21.75 million was spent during the year.
3. In the Mosul concession £14.5 million has been spent and plans are now well-advanced for the construction of a pipeline link from the Ain Zalah field to the pipeline system between Kirkuk and Haditha [see map in RF.P 2222, *Britain & Middle East Development* 1.3f p.31].
4. Companies associated with IPC, BPC and MPC have increased their refining capacity in Europe by 24 million tons in 1951, and, at the end of the year, had a further 11 million tons under construction. These facilities have created a market for Iraq crude oil, the export of which will reach the rate of 30 million tons per annum by the end of 1955.

¹*Iraq Oil in 1951*, published by the Iraq Petroleum Co. Ltd., 214, Oxford Street, London, W.1.

5. To transport this quantity from the Mediterranean terminals of Banias and Tripoli and the Persian Gulf terminal at Fao, requires a tanker fleet of 2.75 million tons. During 1951, the companies associated in the IPC increased their tanker tonnage by 483,000 tons and at the end of the year had a further 2.1 million tons under construction or on order.

Development Board

The Development Board of the Government of Iraq was inaugurated in 1950 to prepare a plan for the utilization of the natural resources of Iraq, and so raise the country's standard of living, executing development projects by employing the services of local or foreign contractors and consultants. The Prime Minister of Iraq acts as President of the Board, and there are seven other members, including the Board's Secretary-General, Sir J. W. Edgington Miller, formerly Financial Secretary to the Sudan Government.

The funds for carrying out the Board's six-year Development Plan are derived mainly from the payments to the Government by the oil companies operating in Iraq. The Board estimates that it will receive £164.64 million from this source over the six years 1951-56.

As a result of the agreement ratified by it on 3rd February 1952 and effective from 1st January 1951, the Iraq Government can expect a revenue from oil, on the basis of present prices and costs, of £31 million in 1952, rising to £59 million in 1955. Subject only to circumstances beyond the control of the companies, the Iraq Government is guaranteed that its share of the profits shall not be less than £20 million (sterling) in 1953 and in 1954 and not less than £25 million in 1955 and each year thereafter [for further particulars, see 24.8.51 3a p.17].

Under an act passed by the Iraq Parliament in 1950, 70 per cent of the Government's oil revenues will be devoted to capital schemes to increase the productivity of the soil and enrich the lives of the people. In addition, the Development Board has at its disposal an International Bank Loan of £3.9 million, which, together with certain other revenue, makes up an expected total income of £168.74 million in the six years.

The sum of £155.374 million has been allocated to the execution of the various projects in the six-year Development Plan, and this expenditure is apportioned in the following manner:

	£m.
Administrational and organized expenses ...	3.18
Irrigation projects	53.374
Roads and Bridges	26.766
Buildings and housing	18.018
Land reclamation, surveys, etc.	22.986
Industrial development	31.050

Just under a third of development expenditure is devoted to flood control and irrigation aimed at restoring the ancient fertility of the soil.

The most important single project is the utilization of the Wadi Tharthar depression as a means of controlling the release of flood waters of the River Tigris. In 1951 a British civil engineering firm was awarded a contract for the first stage of this scheme. The irrigation programme also includes the completion and improvement of the existing flood control works on the Euphrates near Lake Habbaniya; the construction of reservoirs, possibly in conjunction with hydro-electric plant, on the Rivers Diyala, Lesser Zab, and Greater Zab, in north-east Iraq; and the remodelling and extending of part of the existing canal system.

The plan also includes the building of roads, bridges, schools and hospitals in Bagdad, Mosul and Kufa, and other towns.

Community development includes the improvement of domestic water supply systems. A contract for a water supply system for Najef has been given to a British firm.

A major part of the sum earmarked for industrial development may be devoted to a scheme recommended by the International Bank for Reconstruction and Development for the utilization of natural gases given off at oilfields for the production of sulphur, cement and fertilizers. The Board also intends to give financial assistance, through the Industrial Bank of Iraq, for the establishment of sugar-refining, the expansion of cotton-weaving, and the encouragement of other small-scale industrial schemes.

Labour and Welfare

The oil companies also contribute to the well-being of Iraq and other Middle Eastern countries through employing local people and providing extensive welfare facilities.

The numbers of locally engaged personnel at the end of the year 1951 were as follows:

LOCALLY ENGAGED PERSONNEL

		Clerical and Supervisory	Other	Total
Iraq	IPC	1,134	5,961	7,095
	BPC	438	2,259	2,697
	MPC	93	545	638
	TOTAL	1,665	8,765	10,430
Syria	IPC	347	2,222	2,569
Lebanon	IPC	855	1,387	2,242
Jordan	IPC	55	236	291
Israel	IPC	54	92	146
TOTAL (all areas)	... ..	2,976	12,702	15,678

Canteens were maintained at all centres of the companies' operations, where a total of 2,353,400 subsidized meals were served during 1951. At the end of the year a new 500-man canteen at Kirkuk was approaching completion.

At the end of 1951 at Kirkuk 2,800 employees participated in the employees' savings group, representing 76 per cent of the total eligible personnel, as compared with 68 per cent participating at the end of 1950. The balance held by the group at the end of 1951 exceeded ID 60,000 (Iraq Dinar=£1 sterling).

There were no epidemic diseases during the year and the sickness and accident rates were the lowest for many years. 4,100 in-patients were treated in company hospitals for a total of 39,900 hospital-days. In addition, a total of 105,600 out-patients received attention at company clinics and dispensaries and were given a total of 270,600 treatments.

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Over 16,000 routine medical examinations and 26,000 vaccinations or inoculations were carried out.

During 1951, 19 trainees completed a six-month basic training course at Kirkuk and entered technical departments for a further eighteen months' training. Twenty more trainees were approaching the completion of their basic training course at the end of the year. In addition, 26 trainees passed their Grade II trade tests on completion of the two-years' training course.

An apprenticeship training scheme was inaugurated in 1951, with twenty trainees participating in a mechanical engineering course. This scheme aims at giving a course of training of three to five years to young Iraqis to fit them for employment in the companies.

The policy of selecting promising artisans already in the company employ and sending them to the United Kingdom for practical training, with part-time attendance at technical colleges where appropriate, was continued. During the year, 19 in all were under training in the United Kingdom.

In accordance with the companies' undertaking to finance up to 50 students per annum, selected by the Government of Iraq, for technical training in the United Kingdom, 75 students were undergoing training during the year.

The Wellcome Foundation

Discoverer of 'Daraprim', Anti-Malarial Drug

The Wellcome Foundation was responsible for the discovery and testing of the new anti-malarial drug, 'Daraprim', referred to in the report of the UK Medical Research Council for 1950-51 [see *Home Affairs Survey* 12.8.52 1f], and now available for the treatment and suppression of malaria throughout the world.

It is estimated that there are approximately 700 million persons infected with malaria, and about three million deaths annually directly or indirectly from it.

Structure and Aims

The Foundation was registered in the United Kingdom in 1924 as a private limited liability company to consolidate into one whole the many interests in England and abroad of Sir Henry Wellcome. These interests comprised research laboratories, medical museums and libraries, development and manufacturing laboratories, and distributing companies and organizations.

In 1936 Sir Henry died, and under his will, unique in its provisions, all the shares of the Foundation were vested in five trustees, whose aim, in the words of the will, is:

'the advancement of research work bearing upon medicine, surgery, chemistry, physiology, bacteriology, *materia medica*, pharmacy and allied subjects and any subject or subjects which have, or at any time, may, develop an importance from the invention and improvements of medicinal agents and methods for the prevention and cure of disorders and the control or extermination of insect and other pests which afflict human beings and plant life in tropical and other regions and elsewhere.'

The trustees are also empowered to establish or endow research museums and libraries in any part of the world and to give financial assistance for the collection of information of every kind connected with the history of medicine and allied sciences.

Organization

The Foundation and its various units in Britain and overseas employ over 4,000 people. These units comprise:

1. *The Wellcome Research Institution in London:* The Wellcome Research Institute houses:

- (a) The Wellcome Laboratories of Tropical Medicine, which are devoted to the study of medical and chemical problems, with special reference to tropical diseases.
- (b) The Wellcome Historical Medical Library, which contains an extensive collection of historical material, manuscripts and books, illustrating the evolution and practice of medicine, surgery and allied sciences throughout the world from prehistoric times.
- (c) The Wellcome Historical Research Museum, temporarily dismantled owing to shortage of accommodation, but to be re-opened as soon as circumstances permit. In the meantime its research activities and limited display facilities are being continued by the Wellcome Trustees in London.
- (d) The Wellcome Museum of Medical Science, which presents an original system of visual teaching by which a general survey of disease from every aspect can be achieved. Facilities are available for showing instructional films to students and members of the medical and allied professions.

2. *The Wellcome Research Laboratories in Kent:* These laboratories comprise both biological and chemical research divisions. The activities of the former cover a very wide field, including bacteriology, immunology, pharmacology and allied sciences, while the latter is continuously engaged in the chemical investigation of natural and synthetic drugs as well as in fundamental research in pure chemistry. Research into the ætiology, prevention and treatment of animal diseases forms an important part of the work carried out in the biological division.

3. *The Wellcome Veterinary Research Station in Sussex:* This station was established in 1943 for the purpose of extending the veterinary research carried on at the Wellcome Research Laboratories, where the need for accommodation for large-scale studies on farm animals had been felt for some time. It is under the control of a resident veterinary surgeon who is responsible to the Veterinary Research Director at the Wellcome Research Laboratories.

4. *The Wellcome Chemical Works at Dartford, Kent:* Here the chemical and pharmaceutical manufacturing operations of the Wellcome organization are carried out. 'Science in industry' has been the keynote of the progress made during over sixty years of pharmaceutical production.

5. *Burroughs Wellcome & Co., London:* Under this style the original partnership set up in 1880 survives today. On the death of S. M. Burroughs in 1895 it became a one-man undertaking and in 1924 it was merged in the Wellcome Foundation Ltd. Its organization is world-wide for the distribution of products in the laboratories and works of the company.

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6. *Oversea Units:* There are eight Burroughs Wellcome & Co. Associated Houses overseas—in the United States, Canada, Australia, South Africa, the Middle East, India, China and the Argentine—as well as special depots in other countries. At three of these Associated Houses—in the United States, Canada and Australia—are factories for chemical and pharmaceutical manufacture; the first-named incorporates extensive research laboratories at Tuckahoe, New York. In addition, there is a branch of the London office in Dublin, and a branch of the New York office in San Francisco.

Clinical Trials of 'Daraprim'

Clinical trials of 'Daraprim' were carried out in the malaria danger zones of Tunisia, Indo-China, Belgian Congo, West Africa and India (including Assam) as well as in England.

In many disease-infested tropical areas a single dose of 50 mgm. (less than one grain and just sufficient to cover a small coin), has cleared the parasite from the blood and has relieved the fever in acute cases. Sometimes this has been achieved with an even smaller amount.

While in Africa for six months, Dr. L. G. Goodwin of the Wellcome Laboratories of Tropical Medicine, as reported in a recent issue of the *British Medical Journal*, took daily doses of the new drug and deliberately exposed himself to infection. He allowed himself to be bitten by four mosquitoes known to be infected and in the interests of his experiment disregarded the normal anti-malarial precautions. For example, in the dangerous evening period he seldom wore socks, scorned mosquito boots and slept many nights without a net. Despite this Dr. Goodwin did not contract malaria.

Dr. I. H. Vincke, Medical Director of Malaria Research at Elizabethville, wrote in the *Annals of the Belgian Society of Tropical Medicine* of how he gave 'Daraprim' to the inhabitants of two isolated villages in the Belgian Congo—Kasonga and Mumema—who were given weekly doses of 25 mgm. during the winter months, when transmission of malaria takes place. At the beginning of the experiment in September, 22 per cent had malaria parasites in the blood. By the middle of December all were negative and remained so. In April 1951, over 7 per cent of mosquitoes in these villages harboured and were capable of transmitting malaria parasites. In April 1952 no infected mosquitoes could be found.

No bigger than a piece of confetti in circumference, the 'Daraprim' tablet is tasteless, and experiments have shown that there are no toxic effects to cause sickness or depression.

NILE WATERS DEVELOPMENT

An account of the control and regulation works which have been built on the Nile River, in Egypt and the Sudan, to make fuller use of its waters for irrigation and for generating electric power is given in R.2434, I.2c, NILE WATERS DEVELOPMENT, June 1952. The paper describes the United Kingdom participation in these developments and also contains an account of the engineering projects, which are in hand at present, to make more use of the Nile at its source in Uganda and along the upper reaches of the river.

European Coal Production

Progress Towards Targets

The second report of the Ministerial Coal Production Group¹ of the Organization for European Economic Co-operation (OEEC) was approved at a meeting of the Group held in London on 28th July.

The report broadly reaffirms the conclusion of the first report that, if prevailing trends were maintained, European coal production would be sufficient to enable member countries to dispense with exceptional coal imports by 1954. It also gives an account of the production and consumption trends during the first half of 1952.

Production

The following tables from the report show the forward estimates of production, output per man-shift and the number of underground workers for 1952 and 1953, in comparison with the previous estimates.

TABLE I
COAL PRODUCTION

Million metric tons						
Country	1952 production as previously estimated	Actual production in 1951	Estimated increase in 1952 over 1951 per cent	Production for first 28 weeks of 1952 up to 12.7.52	Production for first 28 weeks of 1951 up to 14.7.51	Per cent increase in first 28 weeks of 1952 as compared with 1951
	(1)	(2)	(3)	(4)	(5)	(6)
United Kingdom ...	229.4	226.42	+1.32	124.85	122.78	+1.69
German Federal Republic	126.0	118.93	+5.95	64.94	63.60	+2.10
France	56.0	53.00	+5.66	30.96	29.38	+5.39
Belgium	31.0	29.67	+4.48	16.66	16.05	+3.78
Netherlands	12.8	12.42	+3.06	6.68	6.68	—0.09
Saar	17.0	16.26	+4.55	8.47	8.96	—5.44
TOTAL: ...	472.2	456.70	+3.39	252.84	247.44	+2.06

The report points out that a comparison of the forecast and actual increases in production shown in columns (3) and (6) shows that the United Kingdom, France and Belgium are well up to their estimates, bearing in mind that the full effect of the measures taken to stimulate production is only beginning to be felt and may show greater results in the second half of the year. In Germany many Sunday shifts were worked up to the end of March 1951 but this was not the case in 1952, with the result that the figures do not accurately reflect the increase which has taken place in normal working time. This might be corrected as the year progresses

¹ For an account of the first report of this Group, see 3.4.52 2d(9).

and the two periods become more truly comparable. Similarly in the Netherlands the miners worked unusually long hours on Saturdays at the beginning of 1951 which they have not done in 1952. In the Saar, social and technical difficulties are at present impeding production.

TABLE II
OUTPUT PER MANSHIFT (UNDERGROUND)

Country	<i>Metric tons</i>			
	Estimate for end of 1952	Average for 1st half 1952	Average for 1st half 1951	Average for 1951
United Kingdom	1,660	1,613	1,636	1,632
German Federal Republic ...	1,500	1,500	1,490	1,450
France	1,390	1,351	1,294	1,307
Belgium	1,072	1,041	1,073	1,055
Netherlands	1,750	n.a.	n.a.	1,732
Saar	1,685	1,600	1,652	1,625

TABLE III
EMPLOYMENT

Country	Estimated manpower required at end of 1952	Number on books at		
		28th June 1952	1st Jan. 1952	30th June 1951
United Kingdom	550,000	556,672	542,188	542,950
German Federal Republic ...	325,000	318,489	312,962	307,817
France	167,500	169,522	171,381	169,309]
Belgium	120,000	119,425	119,907	113,531
Netherlands	29,000	29,986	29,330	27,778
Saar	38,000	38,265	38,362	38,276

Tables 2 and 3 reveal, the report says, that the three largest coal producing countries are having some success in overcoming the principal difficulties which they regarded as being the limiting factors to an increase in their production. Both the United Kingdom and the German Federal Republic have increased the number of men underground, the United Kingdom by 14,500 and the Federal Republic by 5,500 since the beginning of the year. France on the other hand was relying on an improvement in productivity rather than increased manpower, and output per manshift in the French mines has risen from 1,294 Kgs. in the first half of 1951 to 1,351 Kgs. for the first half of 1952. The lower output per man-shift in the United Kingdom, Belgium and the Netherlands at present, as compared with last year, is largely accounted for by the large number of recruits who have gone into the mines in the last few months and whose training takes time.

Consumption

The report states that it is more difficult to assess the consumption trends over the first half of 1952 owing to lack of figures, but that in certain countries the picture seems to be of a level of consumption that is below, rather than above, that of the first half of 1951, and a reservation is expressed in the report as to the likelihood of the estimates of increased consumption made for the Group by the Coal Committee, and particularly that of 1952, being realized.

Conclusions

Substantial results, the report concludes, have already been obtained in some countries from the vigorous implementation of the measures recommended in past reports to increase coal production. This, coupled with the recent easing of consumers' demands on the coal market, tends to confirm the view that European coal production should be sufficient to enable member countries to dispense with exceptional imports by 1954 or even before that date.

On the other hand, if the OEEC policy of long-term economic expansion is to be realized, there is no room for complacency, and the Group strongly recommends that all countries should continue vigorously to implement all measures designed to increase total coal production and continue to seek ways of overcoming the difficulties which still exist.

United Kingdom Position

Lord Leathers, UK Secretary of State for the Co-ordination of Transport, Fuel and Power, who is a member of the Group, stated in the House of Lords on 30th July 1952, that the United Kingdom's contribution towards the elimination of US coal imports into Europe by the end of 1953, was to be that of increasing coal production from 223 million tons in 1951 to an annual rate of 236 million tons by the end of 1953—'quite a heroic task'.

There were, he said, two main factors on which Britain's chances of achieving this would largely depend:

- (a) the size of the labour force;
- (b) the level of productivity in the industry.

As regards (a), prospects were mixed, but there was a good hope that Britain would end 1952 with a substantially greater mining labour force than at the beginning of the year. A particularly good sign was the rate at which young workers were coming to the industry; 14,000 in the first six months of 1952 compared with 10,000 in the same period of 1951, which itself was a record year.

Regarding (b), between 1945 and 1951 output per man-shift rose by over 20 per cent to a level higher than ever before in the history of the coal industry and higher than elsewhere in Western Europe, except Holland. 80 per cent of British coal was cut and won by machines, but the scope for further mechanization was limited and it would be unrealistic to expect a continuously rising level of productivity, as though in accordance with some natural law.

For recent developments in the UK coal industry see HOME AFFAIRS SURVEY 10.6.52 2e(30), 8.7.52 2e(40) and 22.7.52 2e(42).

Sterling Area Payments

New UK Measures to Restore Economic Strength

On 29th July 1952, in a debate in the UK House of Commons on Britain's economic situation, the Chancellor of the Exchequer, Mr. R. A. Butler, spoke of the further efforts Britain was going to make to achieve its two objectives so far as its foreign payments were concerned. These objectives were to get into current balance with the non-sterling world in the second half of 1952 and to achieve, in the same period, at least a balance with the world as a whole, excluding US aid. Some progress had been made as a result of the policies [see 16.11.51 3f p.51, 7.2.52 2e(9) and 20.3.52 2e(12)] already adopted. In the first half of 1952 the current deficit with the non-sterling world, after taking credit for £75 million of US defence aid, was at the annual rate of about £400 million compared with £1,200 million in the second half of 1951, and with the world as a whole the rate of deficit was £150 million in the first quarter of 1952—there had probably been a further improvement in the second quarter—compared with £850 million in the second half of 1951. But an intensified effort was needed. Therefore, in the second half of the year there would be further reductions in what Britain bought abroad. Earnings would be increased by exporting more coal, by exporting defence equipment which would also have the effect of helping to arm the free world, by limiting defence demands in the engineering industry as a result of the new pattern of Britain's defence effort [see *Home Affairs Survey*, 5.8.52 1b (103)] and by helping exporters in such matters as raw material allocations and credit. [For details of these measures and for a full account of Mr. Butler's speech see *Home Affairs Survey* 5.8.52 2a(66)].

Policy of Expansion

For the future, said Mr. Butler, Britain's fundamental problems—arising out of war-time losses, adverse terms of trade, commitments overseas for defence and development—had to be tackled. The keyword should be expansion of production at home and of trade abroad. It would be easier to expand Britain's trade if world trade was increasing. 'If we are going to expand this world trade, we must have the help of the sterling Commonwealth and Canada, and we need the good will of the United States in helping with capital for overseas development and purchase of our available raw materials and exported goods. We must also re-create sterling as a strong and respected currency and a sought-after medium of exchange.

'Thus we have decided to embark on what we hope will develop into the greatest effort made since the war to establish with our friends and allies the conditions for a real expansion of world trade'. Mr. Butler then referred to the plan to hold a Commonwealth Prime Ministers' Conference in London in November [see *Commonwealth Survey*, 1.8.52 1h (48)].

UK TRADE POLICY

Winding up the debate, the President of the Board of Trade, Mr. Thorneycroft, spoke about Britain's post-war commercial policy and the General Agreement on Tariffs and Trade. The basic assumption of this policy had been, he said, 'that world economic stability was round

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the corner; that, after a short period of instability, in which UNRRA would do a repair job, there would be a period of lowering of trade barriers on a reciprocal basis, and, thereafter, institutions like the International Monetary Fund and the International Trade Organization would work smoothly and profitably in an expanding world economy'. In the event, many of these assumptions had proved false and post-war disequilibrium was on a vaster scale than had been contemplated. 'This transitional period is still with us, interwoven in the very fabric of the problems that confront us every day There is not a short transitional period or a hump which we can surmount, with a smooth shining valley lying beyond it. It is all a hard uphill road and is likely to remain so.'

GATT

On the General Agreement on Tariffs and Trade, Mr. Thorneycroft said that it would be one of the subjects to be discussed at the Commonwealth Conference in November. He went on to say:

'There is, first of all, the bearing of the General Agreement in its existing rigid form on the whole question of preference within the Commonwealth, and that is clearly a matter which we shall raise then. Equally, I must say that the Agreement is linked with a large number of tariff agreements, particularly with the United States, many beneficial to us and beneficial to the United States, the unilateral denunciation of which would mean that we should lose their benefits and our competitors would probably keep them.'

'Against that background Her Majesty's Government have no doubt whatever as to the right course to adopt. The case for the re-examination of the whole basis of our commercial policy with the Commonwealth is as strong as the case for the unilateral denunciation of GATT is weak. We therefore propose to adopt the former course and to reject the latter. We do not intend to take any unilateral decision about GATT between now and the Commonwealth Conference, and when that time comes we shall discuss those problems with our partners in the Commonwealth.'

Desirable Steps

There was no easy panacea for Britain's economic difficulties. Rather, Mr. Thorneycroft thought, the solution lay in 'a very large number of steps, none of which in itself is perhaps finally decisive'. He mentioned, as examples:

1. 'We must buy less of the things which we lack the means to buy in gold and dollars.'
2. 'We must seek to extend the amount of trade within the Commonwealth and to that end we must develop our resources not . . . by the academic idea of complete self-sufficiency within a narrow field, but in an endeavour to be less helplessly dependent for many of our needs upon the dollar world.'
3. 'We must endeavour to persuade the Americans to give us some reduction in the tariff barriers which now surround them.'
4. 'We must not only sell to them [the Americans] more manufactured goods from the sterling area as a whole, but we must encourage the flow of investment from the dollar world into the sterling area.'

Import Cuts

Import cutting was 'a dreary way of trying to solve one's economic problems. If the United Kingdom or the Commonwealth sought to solve this problem simply by cutting imports, we might strike a balance but

it would be a brutish kind of existence which would be ahead of us'. Even the great resources of the Commonwealth were not enough to provide for all the people in it, although, of course, there were many things of which more could be produced.

Exports

As to exports, the daily rate had been falling. In the main this could be attributed to a decline in imports in the sterling area, resulting from cuts imposed by countries such as Australia. But an encouraging feature was the rise in exports to the non-sterling area [see *Home Affairs Survey* 5.8.52 2g(40)]. Expansion of exports could make a positive contribution to the solution of Britain's difficulties. One snag was finding markets for consumer goods. The UK Government was anxious to see removed quotas which were imposed against United Kingdom goods. 'We are in close consultation with industry . . . and to ensure that the best advice possible in those matters should be given to me I have set up a special committee composed of the Federation of British Industries, the National Union of Manufacturers, and the Associated British Chambers of Commerce, under the chairmanship of the Secretary for Overseas Trade, to see that in every way possible the Government shall be kept informed of the most up-to-date position for the benefit of British exporters seeking to find markets.' Allocation of steel to export industries was being substantially increased during the fourth quarter of 1952. The Government did not direct exports, 'but dollar exports, as the Commonwealth fully understand, are still of first importance'.

Need for Sacrifice

Mr. Thorneycroft concluded by saying that any solution to Britain's difficulties demanded contributions from the British people. 'If we import less, there is less for people to buy here. If we export more, we have to do without or we must work harder and longer to produce those things. If we build factories we must do with fewer schools. If we develop our Commonwealth let us realize that we do not develop the Commonwealth or anything else unless we are prepared to do with less consumption during the time that we are doing the development.

'This, then, is the challenge of our time. We are the focal point in these events, the centre of a great Commonwealth and playing the crucial role in Western European trade. In the last resort no one owes us a living, nor do we ask for aid from anyone. We are left with small reserves, and we are holding them. We need to make a supreme effort to increase those reserves, to develop our resources and to expand our strength. We can do it only by sacrifice and effort. If we fail, much else will fail, too. If we succeed, we shall build a new prosperity upon the foundations of the old.'

Sterling Area Reserves

Gold and Dollar Surplus in July

The UK Treasury has announced that during July the sterling area had a gold and dollar surplus of \$31 million, which raised the total gold and dollar reserves at the end of the month to \$1,716 million. This surplus arose after taking into account:

- (1) receipts from the United States during the month of \$24 million as defence aid and \$37 million under the Katz-Gaitskell Agreement. Under this agreement, so called because it was signed by

Mr. Katz for the United States and Mr. Gaitskell, then Chancellor of the Exchequer, for the United Kingdom, the United States undertook to reimburse the United Kingdom in dollars for any gold payable to EPU as the result of allowing other EPU members to use their sterling balances to finance their deficits with EPU. The agreement was signed in July 1950 and was to run for two years. [See 22.9.50 1b p.6];

- (2) payment to EPU of £8.2 million or \$22.8 million representing the June deficit of £17.1 million [see 10.7.52 2e (31)], less the credit of £8.9 million received in respect of arms to be delivered to Belgium [see 12.6.52 2b(30)]. The provisional estimate for the sterling area deficit in July with EPU was £35.2 million or \$98.6 million, which would fall to be settled in August. That is, it is not included in the July gold and dollar figures given above.

For the movement of reserves in previous months, see 10.7.52 2e(31).

Use of Sterling in 1951

Increased Use of Transferable Facilities

Figures showing the extensive use made of the facilities available for the transfer of sterling into other currencies were given in the report of the Bank of England for the year ended 29th February 1952, published on 31st July [Cmd. 8625]. These figures serve to emphasize the continuing and growing importance of sterling as an international currency facilitating multilateral world trade [see R.2308, I.2e, of 30.1.52, *The Use of Sterling*].

The report records that there was a substantial increase in 1951 in the amounts of sterling transferred between countries outside the sterling area both under automatic facilities and under the administrative facilities available at the Bank of England. The amounts transferred in each year since 1948, excluding all transfers to and from American Account countries, have been as follows:

£ million	Calendar year ended 31st December			
	1948	1949	1950	1951
Automatic facilities	88	144	143	241
Administrative facilities	152	125	155	222
	<u>240</u>	<u>269</u>	<u>298</u>	<u>463</u>

In 1951, it is noted, Egypt, the Netherlands and Italian monetary areas and the Scandinavian countries again made considerable use of transferability. Transfers between OEEC countries rose from £78 million in 1950, to £112 million in 1951; those by OEEC countries to other countries outside the sterling area from £59 million to £82 million; while transfers by other countries outside the sterling area to OEEC countries rose from £99 million to £179 million.

In addition, the report states, there was a large increase in 1951 in the use of sterling for merchanting transactions (*i.e.* transactions between countries outside the sterling area, using sterling as currency), and also in sterling payments to non-sterling area countries under the special schemes in operation for coffee, rubber, tin and cocoa, the total being £128 million against £75 million in 1950. Payments under the coffee scheme rose from £12 million to £26 million between the two years.

TRANSFERABLE ACCOUNT COUNTRIES

The following is a current list of transferable account countries as classified under UK exchange control regulations:

Anglo-Egyptian Sudan.	*Greece.
*Austria.	*Italian Monetary Area.
Chile.	*Netherlands Monetary Area.
Czechoslovakia.	*Norway.
*Denmark (including Faroe Islands, and Greenland).	Poland.
Egypt.	Spanish Monetary Area.
Ethiopia.	*Sweden.
Finland.	Thailand.
*Germany (Federal Republic).	USSR

Countries marked with * are members of the European Payments Union.

The transferable account system gives participating countries the right to use the sterling which they earn in direct current transactions to make payments to other countries in the transferable account area as well as to countries within the sterling area.

United Kingdom Overseas Investments 1938-50

Estimates covering a large part of the United Kingdom's overseas investments in 1950 and revised estimates for 1949 were given in a report issued by the Bank of England¹ on 31st July. The report covers the investments of UK residents in securities quoted on, or dealt in unofficially on, the London Stock Exchange: this does not represent the whole of UK investment overseas. Capital values given in the estimates are nominal; this does not indicate the current market values of the investments but is a convenient basis for investigating changes of ownership.

Changes in Capital Value of Investments

At the end of 1950, the report states, the nominal value of UK overseas investments was £2,020 million as compared with £2,038 million at the end of 1949 and £3,545 million at the end of 1938. Gross repayment, which comprises redemptions and sales identified as being to residents of the debtor country, and includes capital written off but excludes conversions, amounted to £65 million nominal, and the corresponding cash receipt to £56 million. Repayments included substantial redemptions of Australian and Brazilian Government loans. Gross new investment—new issues, purchases from identified non-residents and capital written up—came to £61 million nominal or £63 million cash. New investment was mainly in Africa, chiefly in Commonwealth government loans, and shares and loans of South African gold and mining companies.

Taking into account net sales through the market to unidentified non-residents, and residual items, there was a disinvestment of some £18 million and a net receipt of £5 million cash.

¹*United Kingdom Overseas Investments 1949 and 1950*. Figures for the year 1948 and preliminary estimates for 1949 were published in 1951 [see 10.8.51 3c p.33].

Increased Receipts of Interest and Dividends

The total of interest and dividends for 1950 gross of UK tax was about £25 million more than in 1949: £141.8 million against £116.4 million (£155.4 million in 1938).

Outstanding increases in dividends were in those declared by rubber and tin companies in Malaya, by gold and other mines in South Africa and British West and Central Africa, by tea companies in India and Ceylon and by oil companies. The sterling value of US dollar dividends also was much higher in 1950—the first full year in which conversion was affected at a rate of \$2.80 to £1.

Part of the increase in dividends paid by UK registered companies did not, however, represent larger profits but lower UK taxation as a result of the new or increased relief granted in the form of 'unilateral relief' under the Finance Act of 1950 in cases where profits were also subject to overseas taxes.

Table I shows the main types of securities and the interest and dividends received from them. Table II shows in detail the geographical distribution of these investments in 1949 and 1950.

TABLE I
TYPES OF SECURITIES

	£ million					
	1938		1949		1950	
	Nomi- nal Value	Interest ¹ and Divi- dends	Nomi- nal Value	Interest ¹ and Divi- dends	Nomi- nal Value	Interest ¹ and Divi- dends
Government and municipal loans ...	1,521	55.1	795	21.1	785	20.6
UK registered companies ² : share capital	817	48.6	590	55.0	587	72.8
UK registered companies ² : loan capital	367	11.4	106	3.1	106	2.7
Companies registered overseas: share capital	473	29.3	373	33.1	374	41.5
Companies registered overseas: loan capital	368	11.0	174	4.0	168	4.2
In Commonwealth countries ...	1,998	102.7	1,133	74.1	1,134	90.5
In foreign countries	1,422	35.2	775	26.5	751	32.1
Not classifiable by area	126	17.5	131	15.7	134	19.3
TOTAL	3,545	155.4	2,038	116.4	2,020	141.8

¹Amounts of interest and dividends are gross of UK tax. In the case of UK registered companies entitled to double taxation relief, gross dividends as declared include some overseas taxation.

²Companies operating entirely, or almost entirely, abroad. Excludes companies whose activities are divided between home and abroad, e.g. insurance and shipping companies.

TABLE II
GEOGRAPHICAL DISTRIBUTION OF INVESTMENTS

£ million

	Nominal Capital		Interest and Dividends		Net Capital Repayment in 1950 ¹	
	End 1949	End 1950	1949	1950	Nominal	Cash
COMMONWEALTH COUNTRIES						
British West Africa ...	43	44	3.9	5.3	— .8	— .9
Anglo-Egyptian Sudan ²	11	11	1.0	1.0	— .1	— .1
British East Africa ...	19	24	1.4	1.4	— 5.5	— 5.6
British Central Africa ...	86	92	8.3	10.0	— 7.0	— 7.4
South Africa ...	149	160	15.9	18.6	— 12.7	— 17.0
India ...	61	63	6.2	8.1	— 1.9	— 1.6
Pakistan ...	9	9	.8	1.2	.2	.2
Ceylon ...	25	25	2.5	3.9	.1	.1
Malaya ...	69	69	5.3	11.4	.2	*
Australia ...	385	370	16.5	16.6	13.6	14.1
New Zealand ...	69	68	2.9	3.0	.4	.5
Canada ...	172	161	6.9	7.4	10.7	13.3
British West Indies ...	27	28	1.9	1.9	— 1.6	— 1.9
Other ...	7	8	.6	.8	— 1.4	— 1.2
	1,133	1,134	74.1	90.5	— 5.8	— 7.5
FOREIGN COUNTRIES						
Irish Republic ...	21	24	.9	1.0	— 4.0	— 4.0
France ...	8	8	.4	.6	— .1	.2
Germany ...	45	45	—	*	—	—
Austria ...	9	9	.1	.1	.4	.1
Denmark ...	7	6	.3	.3	.3	.4
Norway ...	3	3	.1	.1	.3	.2
Hungary ...	15	15	—	—	.1	—
Roumania ...	14	14	—	—	—	—
Greece ...	24	24	.1	*	.5	—
Rest of Europe ...	50	50	1.9	2.0	— .4	— .9
Burma ...	10	10	.3	.6	.1	.1
China ...	36	36	.1	.1	.3	.3
Japan ...	47	47	.1	.1	—	—
Indonesia ...	21	21	.3	.3	*	*
Egypt ...	11	10	2.7	3.1	.2	.2
USA ...	115	124	10.0	14.8	— 9.0	— 9.7
Mexico ...	52	40	.9	1.1	8.9	2.6
Cuba ...	24	24	.1	.1	—	—
Argentina ...	40	40	.5	.6	1.2	1.2
Brazil ...	79	64	2.2	2.2	10.4	10.7
Chile ...	46	44	1.0	1.0	2.0	1.1
Peru ...	22	22	.3	.5	.1	.1
Uruguay ...	8	6	.5	.3	1.8	2.6
Rest of South America	34	33	1.9	1.4	— 1.1	— .4
Other ...	33	34	1.6	1.9	— .9	— .4
	775	751	26.5	32.1	13.2	4.3
Not Classifiable ...	131	134	15.7	19.3	— 3.3	— 3.6
TOTAL ...	2,038	2,020	116.4	141.8	4.2	— 6.9

¹A minus sign indicates net capital investment.

²The Anglo-Egyptian Sudan is not part of the Commonwealth but an Anglo-Egyptian Condominium. It has been included in this table for convenience of presentation.

*Indicates a figure less than £50,000.

IMF Report on Exchange Restrictions

Prospect of Financial Help to Remove Them

One of the purposes of the International Monetary Fund, set forth in Article I of the Articles of Agreement, is 'to assist in the establishment of a multilateral system of payments in respect of current transactions between members and in the elimination of foreign exchange restrictions which hamper the growth of world trade.' The Fund's *Third Annual Report on Exchange Restrictions*, released in Washington in July, traces the developments in exchange controls and restrictions in 1951 and the first months of 1952, and the steps taken to reduce or eliminate them.

Initiation of Consultations with Member Countries

During 1951 as a whole, the report points out, member countries made considerable progress towards greater freedom of exchange, but in the closing months of the year and the beginning of 1952, this favourable movement was reversed in many countries including some with important financial positions. To counter this adverse trend the Fund's executive board had initiated consultations, under Article XIV of the Fund Agreement, with 44 of the 51 member countries, and it was hoped that in consequence the widespread use of restrictive measures would be reduced.

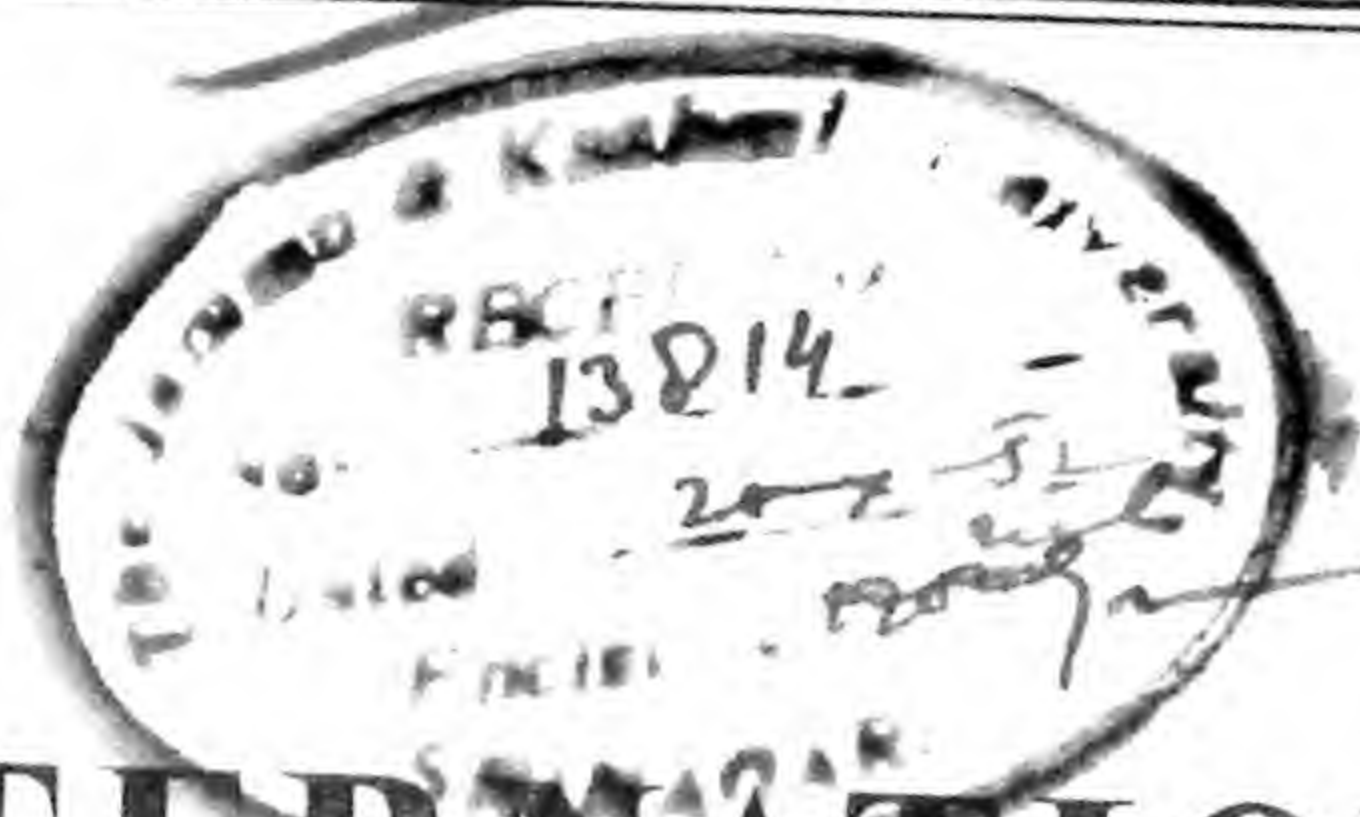
Methods by which the Fund Might Give Assistance

The Fund recognized that for many countries the ability to relax exchange restrictions depended upon measures taken by others as well as upon difficult and complex factors operating in the country concerned. It was nevertheless the principle of the Fund Agreement that restrictions were to be regarded as transitional measures to be removed as soon as conditions permitted. 'In working towards the Fund's objectives,' the report continued, 'member countries can reasonably expect the assistance of the Fund. Recognizing this, the procedure adopted by the executive board provided that, where appropriate, the consultations might include the consideration of arrangements, such as technical assistance, use of the Fund's resources, etc. by which the Fund might help the member concerned overcome the causes for the retention of the transitional arrangements.'

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The United Kingdom and the Self-determination of Peoples

Statement by Sir Gladwyn Jebb to ECOSOC

The question of the self-determination of peoples and nations was discussed on 30th July in the United Nations Economic and Social Council, at its 14th Session, when it considered two resolutions submitted by the Commission on Human Rights¹ which had been requested by the United Nations General Assembly in a resolution of 5th February to prepare recommendations concerning international respect for the self-determination of peoples and to submit them to the General Assembly. The first would have called on UN members to grant the right of self-determination of the people of Non-self-governing and Trust Territories on a demand for self-government from these people, the popular wish being ascertained in particular through a plebiscite held under the auspices of the United Nations. The second would have the General Assembly recommend that member States responsible for Non-self-governing territories should voluntarily include in the information transmitted under Article 73 (e) of the UN Charter details regarding the extent to which the right of peoples to self-determination is exercised by the peoples of these territories and in particular regarding their political progress and the measures taken to develop their capacity for self-administration, to satisfy their political aspirations and to promote the progressive development of their free political institutions.

The Council adopted by 14 votes to 3 (Belgium, France, UK) with one abstention (Sweden) on 31st July 1952 a resolution transmitting the two resolutions, without comment, to the General Assembly.

The Council also adopted by 12 votes to nil with 6 abstentions, a resolution taking note of the report of the Commission on Human Rights.

UK STATEMENT

Sir Gladwyn Jebb (UK) said that the United Kingdom fully supported the principle of self-determination as a general guide to political action. 'Not only did we vote for the inclusion of a reference to this principle in Articles 1 and 55 of the Charter of the United Nations, but we believe that its general acceptance is in harmony with the declaration regarding Non-self-governing territories to be found in Chapter XI of the Charter where those Members of the United Nations which have, or assume, responsibility for the administration of Non-self-governing territories accept as a sacred trust the obligation to promote the progressive development of the free political institutions of these territories in the direction of self-government. This principle is similarly reflected in Article 76 of the Charter relating to territories under the International Trusteeship system.'

¹The Commission on Human Rights, which is one of the nine functional commissions of the Economic and Social Council, held its session from 14th April to 13th June. It produced two draft covenants on: (1) economic, social and cultural rights and (2) civil and political rights—on which it will continue to work during its 1953 session. The following States are members: Australia, Belgium, Chile, China, Egypt, France, Greece, India, Lebanon, Pakistan, Poland, Sweden, Ukrainian/SSR, USSR, United Kingdom, United States, Uruguay, Yugoslavia.

It is was a very different matter, however, to attempt to convert the principle into a legally enforceable provision. The United Kingdom representative in the Human Rights Commission had pointed out that the phrase 'self-determination of peoples' defied precise definition to an extent which made it completely inappropriate for inclusion as an enforceable provision in a legally binding document.¹ A search for a definition, for example, of the word 'peoples' might lead to very interesting, if inconclusive, results. 'There can be little doubt that one field of inquiry would be into the applicability of this term to various racial minorities living within the frontiers of sovereign States. I strongly doubt whether any country here represented would welcome any such inquiry so far as itself was concerned. Thus the insertion in a covenant of provision for the exercise of the right of self-determination might well lead to serious differences of opinion and the encouragement of movements subversive of the peace within the frontiers of loyal members of the United Nations, which would be far from the intention of the sponsors of these resolutions.'

In reply to these views, Sir Gladwyn said, the very dubious argument had been advanced that a restatement of the principle in the Covenants, even if definition was impossible, would be a means of strengthening the Charter. But any steps for strengthening the Charter were provided for in Chapter XVIII² which laid down the procedure for amendment. 'My delegation has always been opposed to any attempts to amend the Charter by back-door methods, and unfortunately the work of the Commission on Human Rights was notably marred at its last session by examples of this tendency.'

Quite apart, however, from these reasons, which would impel the UK delegation to vote against the draft resolutions as such, the United Kingdom felt bound to protest most strongly against the preamble of the first draft resolution. The whole tendency, and indeed, thought Sir Gladwyn, the intent, of the three preambular phrases was to suggest that the inhabitants of all Non-self-governing territories existed in a state of slavery. Since slavery was obviously a condition which all good members of the United Nations were resolved to abolish immediately wherever it might be proved to exist, the obvious inference of these paragraphs was that all Non-self-governing territories, including of course all Trust Territories, must become 'free' in the sense that the administering authority must immediately be withdrawn and the unfortunate people of such territories left to cope with the anarchy which would follow in the great majority of cases. In other words, those who supported this draft 'must be presumed to be in favour, not only of a collapse of government in large areas of the world, involving the uprooting, and perhaps the death, of millions of innocent people, but also in favour of action by the various administering authorities which would be in complete contradiction with all the obligations they have themselves assumed under the Charter and more particularly in violation of the "sacred trust" which they have solemnly assumed towards all these peoples in varying stages of civilization whom, as they think, they are bringing forward slowly but surely towards a state of

¹The dangers of attempting to include in legally enforceable instruments principles or concepts not susceptible of precise definition has been pointed out in other connections by UK spokesmen, as for example in connection with defining aggression, in the Legal Committee of the UN General Assembly at its sixth session. [See 7.2.52 1a(9)].

²Amendments to the Charter must be recommended by a two-thirds vote of a General Conference of all UN members and ratified according to their respective constitutional processes by two-thirds of the UN members, including all the permanent members of the Security Council.

self-government or independence as the case may be. Quite seriously, I do think irresponsibility of this kind is unworthy of our great organization.

'And of course the major premise is quite untrue. The inhabitants of the dependent territories are, as we all know, far more free than are the peoples of many independent and sovereign States now represented in the United Nations. Slavery may indeed be variously defined, but it is undeniable that under many forms of authoritarian régimes (and not only under one form) the vast majority of the population are effectively deprived of any civil rights whatever. If, for instance, a citizen of one of these States expresses a view that may be considered to be heretical he is instantly put in a concentration camp. And as we all know there have been instances in quite recent history of whole populations, which have been condemned by the central government as unorthodox, having been transplanted to places of imprisonment thousands of miles away where the majority of them died. Again there are instances where the majority of the population is sunk in dull apathy and ignorance of a type unknown in any dependent territory. Are we to assume that such action as this and such conditions as these do not amount to slavery and that the sovereign government responsible for them is not to be condemned? Are we to assume that the principle of self-determination has been observed by such governments? Are we, finally, to assume that this sort of thing has been going on in those areas which happily have so far escaped the terrible blight resulting from the application of totalitarian ideology? This would be really an absurd conclusion. Nothing of this nature has occurred in any dependent territory that I know of in recent years. Indeed, in the great majority of them at any rate, freedom of expression, and freedom of political association are increasingly evident as the area concerned progresses on its road to self-government or, as it may be, towards independence. The one thing that could introduce slavery such as I have been discussing into these areas would be the removal of the central authority before the area is ready to form and conduct a government which we should all regard as democratic in the best sense of the term. It must surely be obvious that in that event there would be a struggle for power which, if it were successful (a very doubtful assumption), would most probably result in some dictatorship and possibly in the institution of an autocracy which the great majority of us here would deplore.'

It was true that the operative paragraph suggested that 'on demand' the administering authorities must hold a plebiscite. But the immediate holding of a plebiscite, the terms of which incidentally would be totally unclear, would in present conditions 'simply have the result, in the great majority of Non-self-governing territories, of promoting the anarchy or alternatively the autocracy to which I have referred'.

In point of fact, even if the General Assembly were so ill-advised as to pass a resolution on the lines now suggested in the first draft resolution, no such terrible events would be likely to come about, 'if only because the administering authorities could not and would not, in the circumstances, pay the slightest attention to it. All that would be accomplished, therefore, would be some slight encouragement of small and irresponsible minorities in some Non-self-governing territories and a further regrettable breach between the views of the administering and of the non-administering Powers, resulting in a general weakening of the United Nations'.

The UK delegation trusted that on reflection the general damage done by this kind of resolution would become apparent, Sir Gladwyn said. 'So far as we are concerned, at any rate, I can only say that we are proud of our record in promoting the independence of peoples for whose

political, economic, and social development we have assumed responsibility. This process toward self-government or independence is swift and effective, and we are just not prepared to accept any suggestion that the status of the peoples of British dependent territories partakes of slavery in any degree or in any form. There are many States in the world with ethnic minorities which may be regarded as under the control of racially alien people, but we are not so unmindful of the purposes of the United Nations as to stir up internal disturbance and group hatreds by public references to such conditions which we may privately regard as unsatisfactory. We can only hope that others will come to share this point of view.'

The second draft resolution suffered from two major defects. It discriminated against member States of the United Nations responsible for the administration of Non-self-governing territories by calling for information from them without calling for similar information about the forms of government in other territories. On any definition of the word 'peoples' it could be demonstrated that Non-self-governing peoples were not to be found solely in Trust Territories and in those Territories which were regarded as coming within the scope of Chapter XI¹ of the Charter. The second and perhaps more serious defect, was that it represented yet another attempt to amend the Charter by back-door methods. Article 73(e) of the Charter was quite precise. It called for the regular transmission of certain information to the Secretary-General. It defined this information as statistical and other information of a technical nature relating to economic, social and educational conditions in the territories in question. In Article 73(a) the word 'advancement' was qualified by four adjectives: political, economic, social and educational. The fact that one of these—political—was lacking in Article 73(e) was not an accident. 'The contention of some Members of the United Nations that the spirit of the Charter requires the voluntary transmission of political information on Non-self-governing territories has no warrant in the text of the Charter or in the history of its framing.' The arguments had been expounded many times in other and more appropriate organs of the United Nations. Sir Gladwyn added that a full expression of the views of the UK Government on this subject could be found in the speech made by Mr. Ernest Davies to the General Assembly on 3rd November 1947².

The UK Government 'fully and freely publishes information about the progress achieved in the advance to self-government of those territories for which we are responsible, a matter which is discussed in the United Kingdom Parliament. This information is available for all who are interested enough to acquaint themselves with it. However, we are not obliged to submit this information for scrutiny and discussion in the United Nations, and I say here quite flatly and definitely that nothing will induce us to do this. Such action could only impede and confuse the orderly constitutional progress of our colonial territories by admitting the right of others not associated with this progress to interfere in what is after all a delicate relationship. We, the administering members, have the responsibility and we cannot effectively discharge our duties if we are obliged to share our responsibility with others. For these reasons I would strongly advise this Council not to accept from the Commission on Human Rights a resolution which not only runs counter to the provisions of the Charter, but would clearly be completely ineffective.'

¹The declaration regarding Non-self-governing Territories: this refers to '... territories whose peoples have not yet attained a full measure of self-government..

²Text in United Nations document A/PV108 of 3.11.47. A summary was carried in the early roneoed series of *International Survey*—No. 64 of 17.11.47, p. 10 (R.1536).

The Meaning of Freedom

'In conclusion,' Sir Gladwyn said, 'allow me, if I may, to say a few words on the general subject of freedom. I speak as one of the oldest and most devoted of the adherents of the United Nations—as its first servant, if you recall the rather more hopeful period that we all lived through in 1945 and early 1946. I can therefore hardly be accused of a desire to do anything which would frustrate the proper functioning of the United Nations or impede its growth. But much more than that, I speak as the representative of a Power whose liberal record in what used to be called colonial matters can scarcely be called in question. You have only to look round the world and observe those States which in the last thirty or forty years have achieved full independence, some within and some outside the Commonwealth, and this not as the result of war, but with the full consent and co-operation of the Government of the United Kingdom. *Si monumentum requiris, circumspice*. This process is continuing, and will continue, but it is all-important that it should be based on real and not on spurious freedom. And real freedom can only itself be based on education, on trained administrators, and on general ability to cope with the strains which must be imposed on any body politic by the onslaught of modern technique and what is called modern civilization. Without these, freedom is an illusion and, without these, all that can exist is anarchy or despotism, both of which are the absolute negation of freedom. To quote the philosopher T. H. Green, "that man is free who is conscious of himself as the author of the law which he obeys".

'Independence, therefore, though it is an ideal and a goal, is only one goal and one ideal. What is really sought is, or should be, good and not bad independence. To assert the contrary is effectively to assert that the unfortunate people of, say, Latvia are better off, spiritually, morally, and economically than the people of, say, Nigeria or the Gold Coast. And this is so manifestly an absurdity and so contrary to all the known facts, that it must surely be recognized as incongruous by all but those who have a vested interest in propagating slavery by the simple method of calling it freedom.

'The pursuit of total independence for any group or collection of men, irrespective of any other consideration, is, in other words, nothing more nor less than the pursuit of disruption for its own sake. If the principle of disruption prevails here it could, though I don't think it will, result in the disruption of some of the present dependent territories, which, in their noble if mistaken zeal for independence, is what many of the so-called "anti-colonial" Powers apparently want. But, once begun, it won't stop there. It could also result in the disruption of many States here represented, of the entire free world, and very likely of the United Nations itself.

'Of course there are new forces at work in the world: some of them are good, and some of them are evil. Of course we welcome the emergence on the world stage of peoples some of whom have for too long not been directly represented on it. Of course we welcome the general diffusion throughout the world of Western democratic conceptions, and the enjoyment of a fuller life by those who, owing to their lack of technique, have hitherto not been able to achieve it. We think we know in this Council how this task should be accomplished, or anyhow how it should be begun. But do not let us risk wrecking all this bright prospect by adhering to one principle only, and that a principle which only makes sense if it is followed together with other principles as well. Let us rather try to work together, administering and non-administering Powers alike, in pursuit of sound liberal policies that will result in some real advantage

[Over

for the poor, the wretched and the oppressed in every part of the world, and not embark on courses which, though no doubt designed to settle old scores, will only increase their poverty, their wretchedness and their oppression. The first is what my Government wants; that is what it stands for; and that is why it will most certainly vote against both draft resolutions.'

STATEMENTS BY OTHER DELEGATES

M. Saskin (USSR) said that the UK representative shrank from the stipulation that administering Powers should supply political information. He said that Latvia was one of 16 republics within the Soviet Union with a clearly defined constitution enjoying all the rights of the other 15 Soviet republics. He spoke of the 'brilliant' economic, social and cultural future of Latvia and contrasted this with what he described as the very retrograde situation in the British African territories.

Mr. Farooq (Pakistan) agreed that British administrative rule had 'a glorious record' to show, though the same could be said of other colonial Powers too. No amount of enlightened rule, however, could compensate for the absence of independence. He disagreed with the objections formulated by the UK representative.

Mr. Banerjee (India) associated himself with the recommendations of the Commission on Human Rights. He asked that the question of self-determination of peoples of trust and Non-self-governing territories should not be confused with the question of minorities. Mr. Banerjee said that he could not accept the theory of benevolent colonial government. 'Good government is no substitute for self-government.'

Refugees in the United Kingdom

Protection Against Pressure by Foreign Authorities

In answer to a question in the House of Lords on 15th July the Marquess of Reading, UK Under-Secretary of State for Foreign Affairs, said that the United Kingdom Government were aware that officials of the Soviet Embassy in London had tried to induce refugees in the United Kingdom to return to Soviet-controlled territory, that these approaches were unwelcome and that in some cases they had aroused anxiety or apprehension. These activities of the Soviet Embassy were being carefully watched to find out whether methods amounting to direct intimidation or coercion were being used. If such evidence were received, the UK Government would take a serious view of it.

'Meanwhile,' Lord Reading said, 'I should like to take this opportunity . . . to emphasize that refugees are in no sense obliged to entertain such approaches, let alone yield to them, and they should report to the police any cases in which they consider that improper pressure is being exercised on them. Refugee residents in this country can rest assured that they have the full protection of our courts and that no foreign authority can by arbitrary action force them to leave this country against their will.'

Disarmament

New Western Proposals

On 12th August the United States representative in the United Nations Disarmament Commission presented, on behalf of France, the United Kingdom and the United States, a proposal that, if the tripartite proposals for fixing numerical limitations on armed forces¹ put forward on 28th May [see 29.5.52 Id(10)] were accepted in good faith by the countries concerned, a five-Power conference (China, France, UK, USA, USSR) should be held to negotiate a full disarmament programme.

The five major Powers should, once the numerical limitations were agreed, proceed by the following stages:

1. To hold a conference to negotiate:
 - (a) distribution by sea, land, and air of the armed forces considered appropriate within the agreed limitations;
 - (b) types and quantities of armaments considered necessary to support the permitted armed forces;
 - (c) elimination of all armed forces and armaments other than those permitted, it being understood that provision would be made for the elimination of all major weapons adaptable to mass destruction, and for the effective international control of atomic energy to ensure the prohibition of atomic weapons and the use of atomic energy for peaceful purposes only.
2. Having reached tentative agreement on these points, to call a series of regional conferences attended by all States having substantial armed forces, to negotiate the same issues as the five-Power conference.
3. To incorporate all the agreements reached in the five-Power and regional conferences in a draft treaty 'bringing into balanced relationship all essential components of the disarmament programme'.

UK Statement

Mr. John Coulson (UK) said that there were two ways of reaching agreement on disarmament. The first was the Soviet method of a fixed formula for an over-all reduction by one-third. This was unacceptable to the Western Powers as it would merely intensify the dis-equilibrium of the world forces. The Western proposal was more realistic as it proposed agreement by stages.

The three sponsors had put forward their working paper primarily as a basis for discussion and not as a hard and fast plan in which all the details were fixed. 'There is nothing we would welcome so much as discussion', Mr. Coulson said, 'particularly discussion with our Soviet colleagues, provided it is serious discussion'. Referring to M. Malik's criticism of the earlier proposals for limiting armaments, Mr. Coulson said:

'If M. Malik had genuine doubts about our meaning he is now assured that we intend to cover naval and air forces as well as land forces.'

¹ These proposals envisaged *inter alia* a maximum of between 1,000,000 and 1,500,000 for the total strength of the armed forces of China, the USA and the USSR, and of between 700,000 and 800,000 each for the United Kingdom and France.

M. Malik said the ceiling proposals were simply a device to enable the Western Powers to maintain their naval and air forces at existing levels. He said the United States forces were now about 3,900,000 of whom about 1,600,000 were in the Army and 1,330,000 in the Air Force and about 1,000,000 in the Navy. Thus, according to his figures, the United States naval and air forces amount to about 2,330,000 men.

'If they were reduced to 1,500,000 men as proposed and the United States decided to abandon its land forces altogether, the naval and air forces would have to be reduced about one-third to bring them within the limit of 1,500,000 men.'

Soviet Statement

M. Malik said that he would study the new proposals but that at first sight they appeared to contain nothing new. They did not agree to a one-third reduction of armaments of the major powers to come into force simultaneously with the prohibition of atomic weapons. The Western plan, he said, would keep the level of UK and French forces at 700,000 to 800,000 whereas the Soviet proposals for a one-third cut would reduce the UK forces to about 600,000.

US Statement

When the Commission resumed its discussions on 15th August, M. Malik asked the Commission to adopt the Soviet plan which, he contended, the Security Council had rejected in June under United States pressure. Mr. Cohen (United States) said that his Government would support 'effective proposals' to eliminate all weapons of mass destruction—atomic, chemical, and biological. But the only way to prevent the horrors of war was to prevent war itself.

'We believe, as the Soviet delegation has maintained, that paramount importance should be attached not to the prohibition of chemical weapons in wartime but to the prohibition of chemical warfare in peacetime, and that efforts should be directed not so much to the framing of law and usages of war as to the prohibition of as many lethal substances and appliances as possible. But we do not intend, before such measures and safeguards have been agreed upon, to invite aggression by informing or committing ourselves to would-be aggressors and charter-breakers that we will not use certain weapons to suppress aggression. To do so in exchange for mere paper promises would be to give would-be aggressors their own choice of weapons.'

Under the Western plan, Mr. Cohen said, 'with good faith and co-operation by the principal States concerned, all bacteriological weapons, and all facilities connected therewith, could be completely eliminated from national armaments and their use prohibited.'

M. Malik stated that Mr. Cohen was making an attempt to redress the 'defeat' suffered at the Toronto Red Cross Conference.

For background to the question of disarmament, see 20.5.52 1d(11) and reference paper R.2432 (I.1d) of 8.7.52, 'The Disarmament Question in 1952'.

North Atlantic Treaty Organization

Exercise 'Mainbrace'

On 19th August, Admiral Sir Patrick Brind, RN, Commander-in-Chief, Allied Forces, Northern Europe, who will conduct the exercise *Mainbrace* which is to be held in the northern European area from 13th to 25th September, issued a statement giving further information about the exercise. [A summary of the announcement on the holding of *Mainbrace* was given on 26.6.52 If(76)].

The exercise is under the joint over-all command of the two NATO supreme commanders—Admiral McCormick, Supreme Allied Commander Atlantic (SACLANT), and General Ridgway, Supreme Allied Commander Europe (SACEUR). It is the first time they have been associates in this manner in a major exercise.

The purpose of *Mainbrace* is to develop the organization of the Atlantic alliance in the eastern Atlantic and northern Europe in its basic function of mutual defence. To do this it will afford opportunity to exercise the command organization at all levels and to improve co-operation between the Allies, Commands and Services, whilst also giving realistic experience to sea, land and air forces involved. Ships, aircraft from carriers and shore bases, land and amphibious forces, will come from Belgium, Canada, Denmark, France, the Netherlands, Norway, the United Kingdom and the United States. A New Zealand cruiser will also take part.

Mainbrace will be mainly an exercise of Allied (Blue) maritime forces—sea and air—supporting land and air forces, whilst also covering sea communications. Ships and carrier aircraft will throughout co-operate closely with shore-based aircraft of the Royal Air Force and US Navy, and will be subject to a variety of attacks by 'Orange' sea and air forces.

Admiral Brind stated that the exercise can be divided conveniently into five parts: (1) An Allied carrier force will sail northward from UK ports and will take part in exercises in northern Norway; (2) the carrier force will move southward, replenishing with fuel on passage to join in exercises in Denmark; (3) convoys to and from Scandinavia will be protected by surface forces and carrier and shore-based air forces; (4) an amphibious force, including US Marines, will sail from United Kingdom to aid land forces in Jutland—this expedition will be strongly escorted and will include its own air support for the troops when ashore; (5) in the Kattegat, and the Baltic approaches to Denmark, west of 16 degrees east, light forces from Denmark, Norway and the United Kingdom will exercise under Danish command with submarines and coast defence to protect the shores of Denmark.

The extent and concept of the exercise are designed to give maximum experience to all concerned; it is governed by the defensive purpose of NATO and by such considerations as distance to be steamed and the time during which ships can be made available by the nations participating.

The principal commanders under Admiral McCormick are: Admiral Sir George Creasy, RN, Commander-in-Chief UK Home Fleet and Commander-in-Chief Eastern Atlantic, in over-all command of the sea forces; Air Marshal Sir Alick Stevens, Air Officer Commanding-in-Chief, RAF Coastal Command and Air Commander-in-Chief, Eastern Atlantic, in over-all command of shore-based maritime aircraft; Vice-Admiral

[Over

Felix B. Stump, US Navy, the Fleet Commander at sea; Rear-Admiral J. H. F. Crombie, RN, Flag Officer, Scotland, and Commander Northern sub-area; Rear-Admiral G. W. G. Simpson, RN, Flag Officer, Submarines, commanding all submarines; and Air Vice-Marshal H. Lydford, AOC No. 18 Group, RAF Coastal Command, commanding the shore-based maritime aircraft in the northern sub-area under Sir Alick Stevens.

The principal commanders under General Ridgway are: Admiral Sir Patrick Brind, RN, in over-all command of sea, land and air forces in Northern Europe, also in command of the Allied naval forces allotted to him; Lieutenant-General Robert K. Taylor, USAF, commanding the Allied air forces in Norway and Denmark, to be relieved shortly by Major-General Warren R. Carter [see 7.8.52 1f(82)]; Lieutenant-General Wilhelm Von Tangen Hansteen, commanding the Allied land forces in Norway, with Major-General A. Dahl as Task Force Commander, North Norway; and Lieutenant-General E. C. V. Moeller, commanding the Allied land forces in Denmark. The Allied naval and air forces operating in Norway and Denmark will be commanded respectively by the following Norwegian and Danish Commanders—Vice-Admiral S. V. Storheill, R Nor. N, Lieutenant-General F. Lambrechts, RNAF, Vice-Admiral A. H. Vedel, RDN, and Lieutenant-General C. C. J. Foerslev, RDAF.

General Ridgway on Progress in Western Defence

On 11th August in Paris, at his first formal press conference since taking up his command, General Ridgway, Supreme Allied Commander Europe, stated that he had now visited more than half the NATO countries which had forces under his command, and in all of them he had found 'a strong determination' to carry out defence commitments, a firm belief in the principle of collective security and a high degree of confidence among the ground forces. He said that the NATO countries were making, and would continue to make, 'notable progress towards developing a West European defence force'.

The Supreme Commander added that he did not wish 'to create the impression of ill-founded optimism', because the potential threat of armed oppression in Europe had not abated in any way. The forces available to defend Western Europe were still seriously inadequate in some respects, and, in particular, there were logistical difficulties, but General Ridgway expressed his confidence that the NATO troops now in the field would give a 'first class performance in taking the brunt of an initial attack'. He said that the task of his command was threefold: the equipping and training of forces, and the provision of competent leadership. However, excellent progress was being made in the training of officers, and the training and equipping of troops, especially of Allied Forces in Germany, was better than he had expected when he took over the command.

General Ridgway's Tour of NATO Countries

During June and July, General Ridgway had visited Italy, Western Germany, Norway, Denmark, the United Kingdom [see 10.7.52 1f(78)], Belgium, the Netherlands and Greece. He had taken part in discussions with Ministers and Service chiefs of NATO countries and inspected military establishments in them; he had also visited forces under his command.

Reorganization of Air Headquarters Central Europe

General Norstad, Commander-in-Chief, Allied Air Forces, Central Europe (AAFCE), announced on 12th August that a staff reorganization of his headquarters had become necessary in view of its increasing work on logistical matters. He had therefore appointed Air Vice-Marshal J. L. Plant, Royal Canadian Air Force, to be one of his three major deputies. Air Vice-Marshal Plant had previously been Assistant Chief of Staff, Logistics and Personnel.

All activities of Headquarters, AAFCE, had been supervised previously by a Deputy for Operations, Air Vice-Marshal T. G. Pike, RAF, and a Deputy for Administration, Brigadier-General Thurman, USAF. Air Vice-Marshal Plant's staff would concentrate solely and completely on logistics, his previous duties on personnel having been transferred to General Thurman; they would supervise the establishment of priorities, the co-ordination of logistics plans, infrastructure (air base construction), supply organization, maintenance procedures, and general movements of all types.

SE Europe Headquarters at Izmir

General Ridgway, Supreme Allied Commander, Europe, announced in Paris on 18th August that the headquarters of Allied Land Forces, South-Eastern Europe, to be commanded by General Wyman [see 24.7.52 If(80) and 7.8.52 If(82)], would be at Izmir (Smyrna) in Turkey. Izmir was selected after consultation with the Greek and Turkish authorities, and the establishment of a base there would be followed by development of a NATO air base at Salonika in Greece which would become the provisional air headquarters for the South-Eastern Europe Command.

Greco-Turkish Naval Exercise

From 17th to 19th August, six Greek and six Turkish destroyers took part in a combined exercise in the Aegean Sea, in the waters between Izmir (Smyrna) and Salonika. The first phase of the manoeuvres was directed by the Commander of the Greek squadron and the second by the Commander of the Turkish squadron.

The exercise followed discussions in Ankara during the preceeding week between Admiral Altigan, Chief of the Turkish Naval Staff, and Vice-Admiral Konstas, Chief of the Greek Naval Staff, on various naval questions arising from the participation of Greece and Turkey in NATO.

United States-Greek Combined Exercise

On 8th and 9th August, United States and Greek naval and air forces took part in a combined exercise off the coast of Crete which included an amphibious landing operation in the region of Suda Bay. The participating forces included two aircraft carriers, two cruisers, twelve destroyers and six transports—carrying 2,000 Marines—of the US Sixth Fleet, and six destroyers, two transports carrying Commandos, two submarines and twenty-four aircraft of the Royal Hellenic Navy and Air Force.

UK-US Defence Co-operation

Royal Naval Pilots Training in United States

The United Kingdom Admiralty issued recently a short statement on the training of Royal Naval air pilots in the United States.

In the debate in Parliament in March 1952 on the Navy Estimates, Mr. Thomas, First Lord of the Admiralty, stated that the United States Navy had been very generous in offering opportunities for Royal Naval pilots to be trained in the United States.

The Admiralty has now stated that, in response to this offer, it had already sent to the United States for flying training a number of officers who had joined the Royal Navy under the eight-year short service scheme. It was now proposed to send to the United States some of the National Service pilots who had volunteered to serve for four years, and some permanent officers from the Navy who had volunteered for flying duties. Pilots selected for this training would spend about 18 months in the United States before returning, fully trained to naval operational standards.

USAF Testing RAF Servicing Method

The United Kingdom Air Ministry announced recently that the Strategic Air Command of the United States Air Force was now testing a development of the Royal Air Force method of planned servicing of aircraft which was introduced shortly after the war.

The main object of the RAF method is to plan and control servicing work in a smooth flow to obtain the most economical use of manpower. A servicing team works on an aircraft according to a schedule which lays down the order in which the various jobs are to be completed, so as not to waste time and effort.

The 2nd Air Force of the USAF Strategic Air Command has developed a pre-planned inspection system (known as PI) from the principles outlined in a Royal Air Force training film on planned servicing. Service tests of the P.I. system are being extended, and other servicing systems will also be tested with the object of developing one which will incorporate the best features of RAF, USAF and civil methods.

The Anglo-Persian Oil Dispute

Persian Offer to Negotiate Compensation with AIOC

The text was published on 8th August of a Note sent by the Persian Government to the United Kingdom Government on the previous day.

The Persian Note, after stating that the right to nationalize industries was one of the 'certain rights' of a nation, began by referring to the submission by the UK Government and the Anglo-Iranian Oil Company (AIOC) of their 'unfounded claim' to the International Court of Justice [see 1.5.52 1h(57)] and noted the decision of the Court that it had no jurisdiction in the case [see 24.7.52 1h(97)].

The Persian Note continued by alleging that the AIOC had 'never acted according to its pledges' and that the Company and the UK Government had inflicted heavy losses on Persia, and had caused economic difficulties and financial restrictions in Persia. The Persian Government drew particular attention to its allegations that: the AIOC had failed in recent years to pay debts to Persia amounting to 'tens of millions of pounds'; that Persian assets in British banks had not been paid; that losses had been incurred by Persia because of the delays in these two classes of payments; that losses had been incurred by Persia as a result of 'the prevention of the sale of Iranian oil by the threats and intrigues of the Company and the help of the British Government' [see 24.7.52 1h(98) and 7.8.52 1h(106)]; and finally that the Persian Government had financial claims against the AIOC.

The Persian Government then stated that it expected that the debts due to it by the AIOC would be paid immediately and that other assets belonging to Persia which were frozen in British banks [see 21.9.51 3a p.34 and 7.8.52 1h(99)] would be placed at the immediate disposal of the Persian Government. 'In order to remove all misunderstanding between the two Governments', the AIOC should 'especially refrain' from taking action [see 26.6.52 1h(82)] against the sale of Persian oil in the world's markets.

Proposal for Compensation Negotiations

The Persian Government, in conclusion, announced that it was prepared to 'negotiate with the representatives of Britain for settling the rightful claims of the former oil company in accordance with the law of 30th April 1951 [the nine-point nationalization law, see 24.8.51 3a p.20] and also for Iranian claims against the company. If no understanding is reached between the former oil company and the Government of Iran through direct negotiations, the company will be able to take the case to the Iranian Courts'. The Persian Government stated that it expected the UK Government to recommend the AIOC to appoint representatives to negotiate with Persia.

The UK Chargé d'Affaires in Teheran subsequently had an interview with Dr. Mussadiq, the Persian Prime Minister, at which he asked for clarification on certain points of the Persian Note.

German External Debts

Settlement Terms Agreed

The London Conference on German External Debts ended on 8th August with the adoption, at a plenary meeting, of a Conference report recording the terms of settlement for German pre-war external debts, which have been agreed between creditors and debtors and which are recommended for the approval of the Governments concerned. Speaking for the Tripartite Commission on German Debts, representing the Governments of France, the United Kingdom and the United States of America, at whose invitation the conference was called, Sir George Rendel (UK), M. François-Didier Gregh (France), and Mr. John W. Gunter (USA), congratulated the delegates on the completion of a successful conference and thanked them for the hard work which the solution of the problems confronting the conference had entailed.

The settlement terms agreed between creditors and debtors are summarized below. Broadly speaking, these terms adhere as closely as possible to the terms of the original contracts and do not, in most cases, entail any scaling down of the original principal amounts; though in the main, future interest rates have been somewhat reduced. Payments on loan contracts containing gold clauses will be made as though the values of the currencies of issue of the loan had been defined in relation not to gold but to the United States dollar. The Young Loan agreement contains an additional form of exchange guarantee. Amortization of the principal of most of the debts will begin after five years, and maturity dates have been extended. Provision is made for more rapid repayment of capital and interest in certain types of debt if it is made in blocked *Deutschemarks* for investment in Germany.

The report of the conference provides for the preparation of an intergovernmental agreement to give international authority to the settlement plan recommended in the report. Governments interested in the debt settlement will be invited to become parties to this agreement.

The Tripartite Commission announced on 8th August that work would proceed immediately on the drafting of the proposed intergovernmental agreement. At the same time bilateral agreements would be prepared providing for the settlement of the claims of the United Kingdom, France and the United States in respect of their post-war economic aid to Germany. These claims were the subject of earlier discussions in December [see 14.12.51 2g p.41], at which the three Powers offered, subject to the conclusion of a satisfactory and equitable agreement on Germany's pre-war debts, to make important concessions in the priorities and amounts of their claims.

The head of the German delegation, Herr Abs, stated that he associated himself with the recommendations before the conference, because it was his desire to meet the wishes of the creditors to achieve a debt settlement which would satisfy them. He expressed a hope that the results reached at the conference would prove to be bearable for the Federal Republic, in spite of its limited capacity. He pointed out that it would be necessary to realize that the Federal Republic was going to face a heavy burden not only during the coming years but over a long period. In this connection Herr Abs declared that the debt settlement would be jeopardized if the Federal Republic were asked to assume still further obligations from the past.

In this respect he referred in particular to claims by foreign countries which were at war with Germany dating from the time of the two world wars, especially further reparation claims. In conclusion, Herr Abs stated that the measures necessary to obtain Parliamentary approval for the debt settlement plan would be expedited to the greatest possible extent.

On behalf of the creditors' committee, Baron van Lynden (Netherlands), the acting chairman, expressed his satisfaction at the completion of the negotiations and thanked the Tripartite Commission, the German delegation and his colleagues on the creditors' committee for the spirit of whole-hearted co-operation which had helped to achieve this result.

SUMMARY OF SETTLEMENT TERMS

The main features of the settlement terms for the four chief groups of debts are set out below:

I. Debts of the Reich and of other Public Authorities

	Future interest rates per cent	Treatment of arrears of interest	Maturity date	Sinking Fund (to begin in 1958) per cent
7 per cent External (Dawes) Loan of 1924	5½ (American) 5 (others)	Calculated at 5%	1969	3 (American) 2 (others)
5 per cent International (Young) Loan of 1930	5 (American) 4½ (others)	Calculated at 4½%	1980	1
6 per cent External (Match) Loan of 1930	4	Calculated at 4%	1994	1½
Konversionkasse Bonds and Scrip	Original contractual rates	Two-thirds waived	Extended by 17 years	2
States, Municipalities and other public bodies	Three-quarters of original contractual rates (minimum 4%, maximum 5½%)	One-third waived	Extended by 20 years	1 rising to 2

II. Medium and Long-term German Debts Resulting from Private Capital Transactions

The settlement terms provide that there shall be no reduction of principal, and that two-thirds of the outstanding arrears of interest shall be funded and added to the principal. Future interest rates will be at three-quarters of the existing contractual rates. The maturity dates will be extended from 10 to 25 years according to the nature of the debtor's business and his present financial situation. Amortization is to commence on 1st January 1958 and to be at the rate of 1 per cent per annum for five years, and thereafter at 2 per cent per annum.

III. Standstill Indebtedness

The standstill debts originated from certain short-term debts owing by Germany to banks in the United Kingdom, the United States and other foreign creditor countries in 1931. Under an agreement of 17th September 1931 these banks undertook to maintain the volume of credits which they had already extended to Germany, in order to help to maintain Germany's financial stability. Maintenance of the credits was continued by successive

annual agreements until the outbreak of war when they were suspended. The new agreement on standstill indebtedness, which forms part of the general settlement terms for Germany's pre-war external debts, is intended to regulate payment of the outstanding debts and provide means for the restoration of normal conditions for financing Germany's foreign trade. The main provisions of the agreement are as follows:

- (1) no reduction of the principal of the indebtedness by periodical foreign exchange payments during the period of the agreement;
- (2) credits to be recommercialized as far as possible, *i.e.* to be re-activated so as to finance the Federal Republic's current trade with other countries without loss of foreign exchange to the Federal Republic;
- (3) creditors who make additional foreign exchange facilities available to the German economy, by granting new credit lines to German banks and industry outside the agreement, to be entitled to repayment of existing indebtedness to the extent of 3 per cent of each three months availment of such new line of credit;
- (4) no repayment facilities in *Deutschemarks* (such as were provided in previous agreements) with the exception of those existing under the present regulations;
- (5) all arrears of interest, calculated at 4 per cent per annum (simple), either to be added to principal or to be postponed (subject to any voluntary arrangement for payment in *Deutschemarks* under (4) above);
- (6) current interest and acceptance commissions to be payable in the currencies of the debts at rates not exceeding those ruling in the respective markets;
- (7) consideration of credits to debtors in the Eastern zone of Germany (about 20 per cent of the total) is postponed;
- (8) payments received by creditors from other sources in respect of German indebtedness (*e.g.* under the UK Distribution of German Enemy Property Act), unless applied against other German debts, to be applied in reduction of standstill indebtedness to the extent required by law or elected by creditors;
- (9) in view of its terms and in accordance with the practice prevailing since 1931, the agreement to be for a period of one year.

IV. Commercial and Miscellaneous Debts

Transfers in foreign exchange on amounts due in respect of various types of debts are to be allowed as follows:

- (1) goods—one-third to be paid as soon as individual agreements are concluded, the balance to be paid after one year in ten equal annuities;
- (2) wages, salaries, pensions, *etc.*—payment to be made in five equal annuities;
- (3) debts other than capital claims—payment in ten equal annuities.

Within a limited period creditors may opt for payment in *Deutschemarks*. In this event the debt will be discharged more rapidly but the payment will be subject to German exchange control and other regulations which shall in principle not be more restrictive than those at present in force.

Two-thirds of the arrears of interest at simple interest are to be added to the capital. In respect of future interest rates, other than for capital claims, there is to be no payment of interest until 1958; thereafter, 75 per cent of the contractual rate with a minimum of 4 per cent.

Background to the Conference

The conference which ended on 8th August had been preceded by more than two years of preparatory work by the interested Governments. In an exchange of letters of 6th March 1951, between the Chancellor of the German Federal Republic and the three Allied High Commissioners, acting on behalf of the Governments of France, the United Kingdom and the United States of America, the Federal Government confirmed its liability for the pre-war external debt of the German Reich and acknowledged in principle the debt arising from the post-war economic assistance furnished to Germany by the three Powers, and its willingness to accord this debt priority over all other foreign claims against Germany [see 1.6.51 2g pp.27-28].

In May 1951, the three Governments set up the Tripartite Commission on German Debts. In June and July 1951, the Commission held preliminary discussions with representatives from Germany and from the principal creditor countries. The Tripartite Commission has also been responsible for the organization of the London Conference and has represented the three Governments throughout the negotiations. The members of the Tripartite Commission are Sir George Rendel (UK), who has acted as chairman, M. François-Didier Gregh (France) and Ambassador Warren Lee Pierson (USA). In the recent absence of Mr. Pierson, the United States has been represented by Minister John W. Gunter. The German Delegation has been led throughout by Herr Hermann J. Abs.

The conference held its first plenary meeting at Lancaster House, London, on 28th February 1952 [see 7.2.52 li(5), 17.4.52 2e(21), and 1.5.52 li(19)]. In carrying out its work, the conference was guided by certain principles, which appear in the report. They include the principle that the Federal Republic's economic position and limited territorial jurisdiction should be taken into account, to avoid dislocation of the German economy, undue drain on Germany's foreign exchange, or appreciable additions to the financial burden of any of the three Governments. A further principle was that the settlement should ensure fair and equitable treatment of all interests affected; and that it should provide for appropriate action on the re-unification of Germany.

Twenty-two creditor countries sent delegations to the conference, composed of governmental, and, in many cases, private creditor representatives. The private creditors of France, the United Kingdom and the United States of America were represented by separate delegations. Three countries sent observers, while the Bank for International Settlements was represented as a creditor in its own right. The delegation from the Federal Republic of Germany contained both governmental and private debtor representatives.

To facilitate its work, the conference set up a steering committee composed of the three members of the Tripartite Commission, 13 representatives of creditor interests from Belgium, Brazil, France, Italy, the Netherlands, Sweden, Switzerland, the United Kingdom and the United States, and five members representing the public and private debtor interests of the Federal Republic. The steering committee was charged with the organization of the conference and with ensuring that all recommendations submitted to plenary meetings were such as to achieve an equitable over-all settlement and equal treatment for all creditors within each category of debts.

Eritrea

New Constitution Ratified

The final stage of the transition period before Eritrea becomes, in accordance with the United Nations General Assembly resolution of 2nd December 1950, 'an autonomous unit federated with Ethiopia under the sovereignty of the Ethiopian Crown', was reached on 11th August when the Emperor of Ethiopia ratified the new Eritrean Constitution. The transition period, during which Eritrea has been under British civil administration, is due to end by 15th September 1952.

RECENT DEVELOPMENTS

The new Eritrean Constitution now ratified, was prepared—in accordance with the terms of the UN Resolution [see 3.4.52 li(16-17)]—by the UN Commissioner, Dr. Eduardo Anzo Matienzo (Bolivia), in the spring of 1952 and formally submitted to the Representative Assembly (which had been elected on 26th March) on 3rd May. It was finally adopted on 10th July and subsequently approved by the UN Commissioner. The Eritrean Constitution provides for a Chief Executive elected for the term of its own office by a single-chamber legislature, the Assembly. The Chief Executive will not be politically responsible to the Assembly but can be impeached by it. The constitution provides for the Eritrean Government to have legislative, executive and judicial powers in matters not reserved for the Federal Government.

On 18th July, the Assembly appointed an Executive Committee, under the leadership of Sheikh Ali Mohammed Mussa Radai, for the purpose of entering into necessary commitments on behalf of the future Government. During 1951-52 the process of bringing Eritreans into the Administration has been greatly accelerated, and the Administration has itself been re-organized so as to facilitate the transfer of its functions to the Federal and Eritrean Governments respectively.

A full account of the British Administration in Eritrea since 1941, and of recent developments leading up to the new Government, will be found in the Reference Note just issued No. R.2450 (1.1i) of 21.8.52 'British Administration in Eritrea'.

Austrian Peace Treaty

USSR Rejects New Draft

On 11th August the Governments of the United Kingdom, United States and France requested, in similar Notes to the Soviet Government, a reply to their Notes of 13th March in which they proposed a new draft abbreviated treaty to restore Austria's independence [see 20.3.52 li(8)].

The text of the United Kingdom Note was as follows:

'Her Majesty's Government refer to their Note of the 13th March 1952, which contained proposals designed to permit the immediate resumption of negotiations with a view to the final fulfilment of the promise made to Austria as long ago as 1943 that her freedom and independence would be restored.

'In a further Note of the 9th May 1952, Her Majesty's Government drew the Soviet Government's attention to the fact that an immediate and just settlement of the Austrian problem would relieve a source of constant tension in Europe.' [The text of this Note was given on 15.5.52 li(24)].

'Having so far received no reply to these two Notes, Her Majesty's Government, in the hope that this silence is not to be interpreted as a renunciation by the Soviet Government of the commitment which they undertook by signing the Moscow Declaration of the 1st November 1943, once more urge the Soviet Government to make known their views on the proposals for a settlement of the Austrian problem contained in the Note of the 13th March 1952.'

Soviet Reply

In its reply to the three Western Powers on 15th August, the Soviet Government rejected the draft abbreviated treaty, which had been proposed by the Western Powers as a basis for the resumption of the negotiations for an Austrian settlement.

The background to the Austrian peace settlement and a summary of the main points at issue between the UK, US and French Governments on the one hand, and the USSR on the other, during the previous negotiations on this question, will be found in Reference Note No. R.2349 (I.li) of 8.3.52, 'The Austrian Treaty Negotiations.'

European Coal and Steel Community

Schuman Plan High Authority

On 10th August, the High Authority of the European Coal and Steel Community held its inaugural meeting in Luxembourg. The treaty to set up the Community was signed on 18th April 1951 by the Foreign Ministers of the six participating countries—France, the German Federal Republic, Belgium, Italy, Luxembourg and the Netherlands [see 20.4.51 1b p.9]. It came into force on 25th July 1952 after deposit of instruments of ratification by all the signatory States. The treaty gave effect to the proposal first put forward by M. Schuman, French Foreign Minister, on 9th May 1950, that France and Germany should place their coal and steel production under the direction of a single authority within an organization open to other countries of Europe [see 19.5.50 3a p.25 and 16.6.50 1a p.5].

The nine members of the High Authority are as follows: M. Jean Monnet, president (France), M. Léon Daum (France), M. Franz Etzel (Germany), M. Heinz Pothoff (Germany), M. Albert Coppé (Belgium), M. Enzo Giaccherio (Italy), M. Dirk Spierenburg (Netherlands), M. Albert Wehrer (Luxembourg) and M. Apul Finet (Belgium).

The president of the Authority, M. Monnet, in his inaugural address, spoke of the importance of the High Authority, and of its supra-national character. Its function was to establish and maintain, he said, conditions in which production would develop to the best common advantage. Customs barriers and similar discriminations on coal and steel supplies within the Community would soon be eliminated. Managing the production of coal and steel was not part of the High Authority's task; that was the function of the individual works.

UK Delegation to High Authority Appointed

On 22nd August the UK Government announced that the United Kingdom delegation to the High Authority of the European Coal and Steel Community would be led by Sir Cecil Weir. It would be composed of representatives of the Foreign Office, the Ministry of Supply and the Ministry of Fuel and Power and of advisers from the coal and iron and steel industries, representing both management and labour. The delegation would report to the Secretary of State for Foreign Affairs, and would take up its duties immediately. In addition to Sir Cecil Weir the following members of the delegation had been appointed: Mr. James Marjoribanks, Foreign Office; Miss Elizabeth Ackroyd, Under-Secretary, Ministry of Supply; Mr. Charles de Peyer, Under-Secretary, Ministry of Fuel and Power.

M. Monnet's Discussions with UK Government

The announcement of the appointment of the UK delegation to the High Authority followed the visit to London on 21st August of M. Monnet, President of the High Authority, to discuss with representatives of the UK Government the relationship between that Government and the High Authority. The UK Government had made clear on a number of occasions their desire to establish the closest possible association with the

Community and had announced their intention to set up a permanent delegation at the seat of the Authority [see 30.11.51 1b p.5, 10.1.52 1g(1 and 9) and 3.4.52 1b(11)]. M. Monnet stated that the High Authority welcomed the position taken by the UK Government. Accordingly it was arranged that a United Kingdom delegation would proceed to Luxembourg in the immediate future, and that it would have the task of laying the foundations for an intimate and enduring association between the Community and the United Kingdom, and of dealing on a day-to-day basis with the many problems of common interest which would arise as the Community developed.

EUROPEAN COAL PRODUCTION

A summary of the second report of the Ministerial Coal Production Group of the Organization for European Economic Co-operation (OEEC) was given in the issue of 7.8.52 2d(33).

A note will be found under 2d of this issue on a report by the Coal Trade Sub-committee of the UN Economic Commission for Europe on the deficit in European coal supplies.

International Engineering Standards

Progress in Unification

International co-operation in engineering made further progress at the meeting in New York on 2nd June of the American-British-Canadian (ABC) Conference on the Unification of Engineering Standards.

The conference, which was concerned with screw-threads, pipe-threads and limits and fits, was a direct sequel to a similar meeting held in Ottawa in 1945. In November 1948 an agreement between the three Governments on standardized screw threads was signed in Washington [see 19.11.48 p.36] and another agreement reached on standardizing basic dimensions of hexagonal bolts, screws and nuts [see 19.10.51 1c p.12, and for developments in standardization of weapons between NATO countries see 21.9.51 1c, pp.19-20].

While the immediate importance of agreement on these subjects lies in its application to defence production, it will also have a substantial influence on the interchange of the normal goods of commerce between countries on both sides of the Atlantic.

The 25 United Kingdom delegates, attending under the aegis of the British Standards Institution (BSI) [see *Home Affairs Survey* 10.7.51 2d p.19], and the large and important delegations from Canada and the United States, included representatives of governments, industry, and the defence services.

Results of the Conference

The conference divided into five technical working committees, the results of whose deliberations are summarized below:

Screw-threads: The 1948 Declaration of Accord gave the screw-thread committee a basis from which to start. The further object was to discover how far it was possible to secure unification of certain other forms of threads, including acme, stub acme, buttress and instrument threads. Papers circulated by the BSI showed the extent to which the unified

screw-thread system had been embodied in British standards and in British industrial practice. Differences between ABC industrial standards for special threads of the acme and buttress type were discussed, and a decision was reached to include full particulars of each country's standard as an appendix to those prepared by the individual countries. It seemed likely that some measure of agreement would also be possible on instrument screw-threads.

Pipe-threads: The committee on pipe-threads examined the differences between the British and North American standards for pipe-threads and screwed electrical conduit and came to the conclusion that the respective standards were so well established and the technical differences between them so wide, that this item should be removed from the programme.

Limits and Fits: Shortly after the Ottawa Conference in 1945, agreement had been reached between the three countries on certain fundamental principles to be observed in developing a unified standard for limits and fits. Drafts subsequently prepared by Britain (based on the International Standards Organization system) and by Canada showed marked similarities, and the limits and fits committee now decided that it appeared practical to develop an ABC proposal covering selected classes of fit, a range of basic holes, and at least a limited range of shafts. The British and Canadian delegations were asked to continue their joint work in order to develop an ABC proposal for submission to the standards bodies of the three countries within six months.

Drawing Office Practice: The need for ABC agreement on drawing office practice may be underlined by recalling that when production of the *Merlin* aero engine was to be started in North America during the war, not less than six valuable months were lost while all the relevant drawings were translated into North American idiom and practice. With this and similar experiences in mind, the national standards bodies of the three countries had been requested at Ottawa in 1945 to co-operate in establishing a standard code for the dimensioning and tolerancing of drawings which would be acceptable to them all.

The present conference paid tribute to the excellent further work that had been done since then, both in Britain and in Canada. The United Kingdom proposals were used as a basis for discussion by the technical committee, and a substantial area of agreement was found.

Gas Cylinder Connections: The committee appointed to consider gas cylinder connections provided an example of 'agreement to disagree', because of well-established differences between British and North American practice. It was, however, decided to examine the possibility of setting out clearly in a joint publication the North American and British practices, with suggested designs for adaptors which would permit interchangeability wherever necessary.

Future Work

After the five committees had reported to the full conference on 5th June, machinery was established for carrying on their work. A 'continuing committee' was set up for each subject, comprising the chairman of the relevant technical committee with one 'corresponding' member from each country, with instructions to seek progress in all directions where the way to ultimate agreement had been opened up.

US Technical Assistance Programme

Scientific Equipment for UK Research Workers

Under the technical assistance programmes of Marshall Aid and the US Mutual Security Programme the United Kingdom has received scientific equipment to the value of £350,000. This was announced on 17th August by the Mutual Security Agency's Mission to the United Kingdom.

The equipment, much of it available only in the United States, ranges from special radio valves to multi-channel direct-reading spectrographs for metallurgical research. Much of the equipment has gone to the UK Department of Scientific and Industrial Research, but some has been received by 24 other research bodies working in coal, iron, steel, textiles, food, chemicals, printing and shoe-making.

Up to the end of March 1952, the total amount of US aid authorized for the United Kingdom under the technical assistance programme was \$4.3 million, of which \$2.3 million had been already spent.

Brussels Treaty Organization

Protection of Works of Art in War Time

Experts on the protection of works of art in war time of the five Brussels Treaty countries—Belgium, France, Luxembourg, the Netherlands and the United Kingdom—met at the Hague in April under the chairmanship of M. van Schendel, Curator of Pictures of the Rijksmuseum. They examined measures to ensure the protection of monuments and works of art in the event of an armed conflict. Special consideration was given to the construction of shelters, methods of packing and transport, and the preparation of lists of works of art. The experts intend to meet again next year in the United Kingdom and have decided that in the meantime their work should be continued by means of further exchanges of information.

War Pensions Committee

From 23rd to 26th June, the eleventh of a series of conferences, begun three years ago, was held in Paris by the committee composed of senior officials of the Pensions Ministries of the five Brussels Treaty countries. The committee reviewed the first phase of its work, which has included recommendations to the five Governments on such varied matters as the granting to nationals of the five countries of medical treatment for accepted war disablement free of charge on the same basis as that accorded to nationals of the country of residence; improved welfare services for war victims and their dependants; and reciprocal extension of certain privileges with regard to priority cards and reduced fares. In addition, a detailed study has been made of the causal relations of certain diseases with war service, and a guide to the medical bases of assessment of disablement for war victims has been produced [see 24.1.52 2b(6)].

Economics of World Crop Protection

UK Exports of Insecticides and Fungicides

Prevention of loss of crops by pests and diseases is one of the major problems of world agriculture. Information on the economic aspects of this loss, hitherto both scarce and scattered, has been assembled in a recent publication, *Untaken Harvest*, by G. Ordish (Constable & Co., Ltd., 15s.), which also assesses the United Kingdom position in the world trade in pesticides.

[For an account of the second International Crop Protection Conference held in Britain in 1951, see 13.7.51 3f p.37].

Estimates of Crop Losses

The following tables, based on those given in *Untaken Harvest*, provide such estimates as are available of the value of crop losses from pests and diseases in various countries. Mr. Ordish emphasizes that the true economic and social cost of insect pests is better expressed in terms of additional demands on labour and equivalent unharvested acres than in monetary values.

TABLE I
AGRICULTURAL LOSSES FROM PESTS AND DISEASES

Country	Year	Unit	Value of destroyed produce	Cost of control	Total loss
United States					
Insects	1937	\$000	1,440,600	160,927	1,601,527
Diseases	1939	"	298,088	23,000	321,088
TOTAL		"	1,738,688	183,927	1,922,615
United Kingdom ...	1938-47 (average)	£000	78,246	9,814	88,060
South Africa (some crops)	1945-50 (average)	£000	12,299		
Australia (some crops)	1947-48	£000	29,350		
Latin America*					
Peru		£000	7,250		
Costa Rica		£000	16		
Venezuela		£000	4,000		
Colombia		£000	2,750		
Chile	1947-48	£000	9,500		

*Source: *Agricultural Requisites in Latin America*, published by the United Nations Department of Economic Affairs, 1950.

The book shows that the existence of crop pests and weeds means that less food is produced, more land has to be used to grow it, and

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crops cost more to grow. Pest and disease control is of greater economic importance in some crops than in others, but its extended use could result in large increases in the world production of certain crops, and a lessening of cost of production.

UK Position in World Trade in Pesticides

The United Kingdom occupies a prominent position as a world exporter of pesticides, being second only to the United States, as Table II shows. [For an agreement between two leading US and UK manufacturers on world marketing arrangements see 7.2.52 2b(10)].

TABLE II
ESTIMATED VALUE OF EXPORTS OF PESTICIDES

Country						Year	Value
United States	...	...	...	...	...	1949	\$29,934,000
United Kingdom	...	...	...	...	...	1949	£2,355,000
France	...	...	...	...	...	1949	£980,000
Switzerland	...	...	...	...	...	1949	£625,000

Among the principal importers of UK pesticides in 1949 were India and Pakistan (£268,000), Australia (£201,000), Sudan (£160,000), and the United States (£124,000).

The trade in pesticides first became substantial towards the end of the nineteenth century, though some insecticides were sold much earlier. Between 1900 and 1920 British growers, particularly hop and fruit growers, became increasingly interested in chemical pesticides, and the UK pesticide industry was expanded by the establishment of several new firms. Various new pesticides were introduced, including mercury salts, quassia extract and derris products, as well as new methods of application, e.g. 'dusting' with nicotine.

Between 1920 and 1940 the UK industry continued to expand, began to develop new and improved products through its own systematic researches, and established a considerable export trade. The Association of British Insecticide Manufacturers, which now has 26 members, was established in 1926.

From 1940 to the present has been a period of increasing co-operation in the United Kingdom between the Government, the industry and growers, which augurs well for the future of crop protection.

Joint consultations are frequently held, as, for instance, the recent working party on dangerous chemicals in agriculture, and the industry co-operates wholeheartedly in the Ministry of Agriculture's scheme for the approval and registration of pesticides.

The third International Congress of Crop Protection is to be held in Paris from 15th-20th September 1952.

European Sulphur Problems

Report of the OEEC Chemical Products Committee

The latest statement on European sulphur problems is given in a survey¹ published in June by the Secretariat of the Chemical Products Committee of the Organization for European Economic Co-operation (OEEC).

The survey broadly concludes that:

1. Supplies of sulphur as such during the next few years will remain difficult, despite the discovery of new deposits in the United States and elsewhere [for similar conclusions expressed by the International Materials Conference, see 1.5.52 2d(18)], owing to the rapid rise in demand.
2. All possible methods of recovery of sulphuric acid and sulphite pulp from pyrites and other sulphurous materials (especially those in coal carbonization plants and in oil refineries) must be fully used to meet the demand.
3. Economic recovery of sulphur (even from coal) is possible, given a reasonably large installation, because of the high prices obtainable for native² sulphur (apart from US sulphur).

United Kingdom's Position

The United Kingdom, states the survey, is particularly concerned with sulphur problems, since it consumed in 1951 nearly 276,000 out of the 365,000 tons consumed in Europe in the chief end-uses, viz. sulphuric acid, sulphurous anhydride, carbon disulphide, and sulphur for agriculture and other purposes.

The survey mentions the 'very considerable effort' made by the United Kingdom towards reconversion and the increased use of anhydride and spent oxides, and states that by 1955 a consumption of 135,000 to 170,000 tons of sulphur for the production of sulphuric acid should be possible. [For UK measures to economize in consumption and increase production of sulphuric acid see *Home Affairs Survey* 11.9.51 2a p.15, 25.9.51 2d p.40 and 24.6.52 2f(48), and for overseas sulphur exploration by UK sulphur-consuming industries see *International Survey* 21.9.51 3b p.37].

Estimated Sulphur Position in 1955

Estimates, given in the survey, of the position of sulphur as such in 1955, are as shown in Tables I and II.

If the additional sources (see Table II) were used, there would, according to the survey, be a residual deficit in OEEC countries of about 220,000 tons in 1955.

But the net European deficit is only a small quantity compared with US consumption of sulphur as such. Consequently, the survey concludes, any reduction, however slight, in US consumption, would release enough sulphur to meet member countries' requirements.

¹*Sulphur*, published by OEEC, Chateau de la Muette, Paris; price 3s. net.

²Native or, as it is also called, natural, sulphur is extracted from sulphur mines or domes, in contrast with sulphur recovered from pyrites, anhydrites, and coal and oil by-products.

TABLE I
ESTIMATED SULPHUR POSITION—1955

						<i>Tons</i>
<i>A. In OEEC Countries*</i>						
Requirements of elemental sulphur	...	...				1,005,000
Production of native sulphur	...	...	...	395,000		
Production of recuperated sulphur	...	...		305,000		
Production of elemental sulphur	...	...	...	700,000	700,000	
Gross deficit	...	...	...			305,000
Exports of sulphur to non-member countries	...					50,000
NET DEFICIT	...	...	...			355,000
<i>B. In the United States</i>						
Requirements of elemental sulphur	...	...				6,400,000
Production of native and recovered sulphur	...					6,000,000
DEFICIT	...	...	...			400,000

*See 15.5.52 2d(20), footnote 3 for list of OEEC countries.

TABLE II
ESTIMATED ADDITIONAL POSSIBLE SUPPLIES OF
RECUPERATED SULPHUR IN OEEC COUNTRIES

									<i>Tons</i>
From crude oil	...	...	...	...	...	...	...	...	44,000
From coal	...	...	...	...	...	...	...	...	90,000
Total additional possibilities of recuperation	...	...	...	...					134,000
Potential additional possibilities of recuperation from coal	...	...							264,000

TABLE III

						<i>Tons*</i>
Native and recuperated sulphur	...	...				200,000
Anhydrite	...	...	...	...		140,000
Spent oxide	...	...	...	...		160,000
Blendes	...	...	...	...		400,000
Pyrites	...	...	...	...		3,500,000
TOTAL	...	...	...			4,400,000

*i.e. Tons of sulphur used or capable of being used.

Sulphuric Acid

Requirements of sulphuric acid by member countries in 1955 are estimated at 12.6 million tons, for which 4.4 million tons of sulphur would be needed.

Estimates of supplies of sulphurous materials used in the manufacture of this acid are as shown in Table III.

In 1951, 64 per cent of consumption by member countries was covered by home production. By 1955, the survey estimates, this will be reduced to about 50 per cent. The survey reaches the following conclusions:

1. There is little likelihood of non-member countries, in particular Spain, being able to meet this increased demand. It will therefore be necessary to reduce the production of sulphuric acid, and, consequently, to economize in its use.
2. To become fully effective, this saving should bear on the sector consuming most acid, *i.e.* fertilizers. To achieve this without jeopardizing agricultural expansion, means producing types of fertilizers using less or no sulphuric acid.
3. A whole series of processes can be employed, the use of which would solve this problem completely without creating any serious disturbances amongst producers or consumers.
4. The use of these processes in the United States, even on a very small scale, would enable that country to reduce its consumption of sulphuric acid, and, with it, its consumption of sulphur as such, to an extent compatible with the requirements of member countries.

International Coal Classification

The Information Centre of the European office of the United Nations, at Geneva, has announced that after three years of study in Geneva and in numerous laboratories in nine European countries and in the United States, agreement has been reached by a working party of the United Nations Economic Commission for Europe (ECE) on a draft table with 62 groupings for describing European coal by its essential properties and characteristics.

It was decided to seek agreement upon a system for classifying coal according to intrinsic properties and grade properties, thus including classes, groups and sub-groups according to, *e.g.*, volatile matter, calorific value, caking and coking properties, and ash content.

Reduced European Coal Deficit

The theoretical deficit in European coal supplies which in the third quarter of 1952 amounted to approximately 4.2 million tons is expected to fall to about 2.8 million tons for the fourth quarter. This forecast, which excludes imports from the United States, was made by the coal trade sub-committee of ECE, which met in Geneva in the second week of August.

The United Kingdom, it was stated, had raised its export figure by 856,000 tons, and exports from France and the Saar were also substantially increased.

The coke deficiency would be about 1.3 million tons, a slight increase over that of the preceding quarter due to seasonal fluctuations.

Maritime Meteorology Conference

Ocean Weather Reporting Scheme

The system by which a large number of selected ships at sea report marine weather-information to meteorological stations was reviewed at a conference in July, in London, of the Commission for Marine Meteorology, a part of the World Meteorological Organization (WMO), the specialized agency of the United Nations, which came into operation in March 1951 [see 9.3.51 3e p.35]. The conference, under the presidency of Commander G. Frankcom (UK), was attended by delegates from the following countries and territories: Argentina, British West Africa, Canada, Denmark, France, Hong Kong, India, the Irish Republic, Italy, the Netherlands, Norway, Portugal, Spain, Thailand, the United Kingdom, the United States, Uruguay and Venezuela, and by observers from the International Telecommunications Union and the International Air Transport Association.

Selected Ships Scheme

There are at present about 2,400 vessels taking part in the selected ships scheme, whereby information is voluntarily collected and transmitted to meteorological services by merchant ships at sea. With the aid of the Corporation of Lloyd's and the United Kingdom Post Office (GPO), the Commission prepared a map showing the network of ships reporting under the scheme, and discussed measures for increasing the number of vessels in the scheme, as it was shown that there were large areas of water where selected ships rarely operated, and also that while a number of countries had a large number of ships doing voluntary weather observations within the scheme, other countries had little representation. The greater use of tankers as selected ships was also discussed. The Commission set up a working group, composed of representatives from India, the Netherlands, Portugal, the United Kingdom and the United States, to study the protection of cargoes against the effects of weather. Recommendations were also made for improvements in tropical storm bulletins and signals.

The British Voluntary Observing Fleet

The Marine Branch of the British Meteorological Office has taken an active part in international marine weather observation and reporting, and a large number of British vessels participate in this work. The total voluntary observing fleet numbers about 635 vessels, as follows:

- 500 ships participate in the 'selected ships' scheme, making observations at specified times, transmitted by wireless in the international meteorological code to various meteorological services for all oceans;
- 50 'supplementary' ships make similar observations in an abbreviated form at stated times;
- 10 light vessels provide twice daily observations of wind, visibility, weather, and air and sea temperatures. Six of these vessels also make observations of waves. The observations are forwarded to the Central Forecasting Office of the UK Meteorological Office via coastguard radio stations, which receive them by radio-telephone;
- 75 'Marid' ships, coastal vessels equipped with sea thermometers, report twice daily observations of sea temperatures to GPO coastal radio stations, which forward them to the Central Forecasting Office.

Radio weather messages from ocean weather ships operated by other nations in the North Atlantic are also received regularly at the Central Forecasting Office.

The meteorological log books of British selected and supplementary ships are carefully studied when received in the marine branch of the UK Meteorological Office. Of the reports received by radio from selected ships in the eastern Atlantic, a six-monthly check showed that approximately 50 per cent were received within one hour of the time of observation, and 73 per cent within two hours.

Antarctic Weather Messages

During the 1949-50 and 1950-51 seasons, arrangements were made for selected British whaling vessels to co-operate with the Anglo-Scandinavian expedition at Queen Maud Land in the Antarctic. Radio weather messages from these ships were routed via South African radio stations. In the 1950-51 season about 230 radio weather messages were handled from five selected British whalers.

The British Ocean Weather-ship Service

There are four British ocean weather-ships helping to service ocean weather-stations in the north Atlantic and these carry out a full programme of meteorological work, including surface and upper-air observations which are transmitted to the Central Forecasting Office by point-to-point radio. The weather-ships' navigational aids are regularly used by both civil and RAF aircraft flying over the north Atlantic, over 3,600 aircraft having made use of the facilities provided by the ships during the year ended 31st March 1952. Radio contact is also made frequently with ocean weather-ships of other nations. Air-sea rescue exercises are carried out at frequent intervals both with British and Netherlands weather-ships in the north Atlantic in co-operation with the aircraft of the UK Coastal Command; and actual search duties have been carried out for missing aircraft.

World Assembly of Youth

Fourth Council Meeting at Dakar

The World Assembly of Youth (WAY), an international association of national voluntary youth organizations of the free world, founded in 1948, held its fourth annual Council meeting at Dakar, in Senegal, French West Africa, from 2nd to 13th August. Previous Council meetings were held at Brussels in 1949, Istanbul in 1950, and at Cornell University, Ithaca, New York, in 1951 [see 15.7.49 4e p.25, 29.6.51 3g p.35 and 24.8.51 3g p.33].

The Council meeting was attended by 110 delegates representing 26 of the 45 member countries, including Belgium, France, several territories of the French Union, Italy, Lebanon, and the United States of America, and by Commonwealth delegates from the United Kingdom, Canada, British Guiana, the Gold Coast, Nigeria and Sierra Leone. Delegates were present from the Ivory Coast and Mauritania who, with Mauritius, were admitted to full membership by the Council during the meeting. The Council heard messages of good will from countries unable to send delegates, including India, Pakistan, Malaya, Singapore and Turkey. The meeting was also attended by observer delegates from four countries and from several international organizations. United Nations officials present were the head of the Youth Section of UNESCO and a personal representative of Mr. Trygve Lie, the UN Secretary-General.

Delegates to the meeting were officially welcomed by the Secretary-General for French West Africa, and by the Deputy Mayor of Dakar and the President of the Senegalese Youth Council. Dr. Darolle, Deputy Director of the World Health Organization, bringing greetings from the United Nations, declared: 'You, the youth of the world, can help us in our final aim—universal peace.'

Participation of African Youth in World Affairs

At a reception to the delegates, the Mayor of Rufisque, a small town 25 kilometres from Dakar, declared: 'This meeting marks an important step forward in the participation of African youth in world affairs. The future development of Africa lies with the initiative and activity of the African youth aided by the youth from the more developed countries. The work of the World Assembly of Youth is ample proof that such development can take place.'

Mr. Maurice Sauvé (Canada), the President of WAY, addressing the opening session of the meeting, stressed the importance of young people's responsibilities in the building of a better world. He also emphasized the importance in the Assembly's plans of Africa, where, he said, sixteen youth councils already existed. The Council should realistically study the ways in which youth movements and national committees might be strengthened. 'WAY'S ideal is to serve youth and knows no frontiers.'

WAY Activities

The Secretary-General, M. Mercereau (France), presented his report on WAY activities and achievements during 1951-52, and the Council divided into commissions to study administration, development and the future programme and report back to the plenary session. The Council discussed the question of help in building up youth organizations, particularly in Latin America and in the Far and Middle East. WAY is

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now administering five UNESCO travel grants, whereby youth leaders from Malaya, Mexico, Sierra Leone, Trinidad, Turkey and Uruguay are to make a study tour in the autumn of youth organizations and UN agencies throughout Western Europe. A technical assistance project for a community development scheme in Pakistan, to be run by young experts, has been planned in detail.

The importance of vocational training for young people was discussed, and a proposal by the British delegation that an international exchange of teachers of technical subjects should be arranged so that there could be better comparison of techniques was welcomed by French and French Union delegates. The Council considered the responsibility of youth in the fight against discrimination, and the problems of migration. WAY intends to give a lead through its national committees in welcoming young immigrants into their new communities, and special consideration was given to the problem of emigré youth from eastern Europe. It was reported that the European Youth Campaign is making progress, and a consultative committee of all WAY national committees in western Europe has been formed and will convene a seminar on European problems in the late autumn.

Commonwealth Youth Council

An important step taken by the Council meeting was the formation of a Commonwealth Youth Council, within WAY, which held its first meeting at Dakar. The six Commonwealth delegations took part, and India, Pakistan, Malaya, Singapore and Trinidad had previously indicated their support.

The two principal aims of the Commonwealth Youth Council are to strengthen participation of the Commonwealth in WAY activities and to provide a link for youth organizations throughout the Commonwealth. It is proposed to hold regional conferences of these national youth committees, especially in West, Central and East African territories and the Caribbean. The British national committee was asked to provide the secretariat for the Commonwealth Youth Council, and Mr. Guthrie Moir (UK) was elected chairman.

UK Delegate as New President of WAY

The Council meeting elected the leader of the UK delegation, Mr. Guthrie Moir, to be the international President of WAY for a term of two years. Mr. Moir, of the St. John Ambulance Brigade, was one of the original members of the British national committee and attended the inaugural conference of WAY at Westminster in 1948, and has been a leading figure in the creation of the Commonwealth Youth Council.

M. Antoine Lawrence (French Guinea) and Miss Ruth Schachter (USA) were elected as vice-presidents, and Mr. Adrian de Haan (Netherlands) as treasurer. Delegates from Algeria, Belgium, France, French Togoland, Gabon, Italy, Lebanon, Niger, Pakistan, Sweden, the United Kingdom and the United States of America were elected to the executive committee. It was decided to transfer the secretariat headquarters of WAY from Brussels to Paris and to reduce the secretariat to one secretary-general. In future the Assembly will meet every four years and the Council every two years.

Mr. Moir declared that the conclusion of the fourth WAY meeting at Dakar saw WAY established on a firmer and more realistic basis than ever before since its first meeting at Brussels in 1949. The meeting, a spokesman said, demonstrated the growing strength of the youth of the democratic nations against the threat of Communism.

UNESCO Gift Coupon Scheme

United Kingdom Participation

It was announced by the UK Ministry of Education on December 12 that the UNESCO Gift Coupon Scheme had been initiated in the United Kingdom by the UK National Commission for UNESCO. This scheme, which is an extension of the Book Coupon Scheme [see 5.5.50 4e p.26], was devised by UNESCO as a practical means of enabling organized groups of people in the more fortunate countries to make personal contributions to the work of UNESCO and the United Nations by giving help to war-damaged and under-developed countries.

Organization of the Scheme

Organized groups in the donor countries, it was stated, would pick the project which they wished to help from a list supplied by UNESCO. Each group would be supplied with booklets containing forty gift stamps, each booklet buying a £1 gift coupon. The coupons would bear the names of the donor group and of the recipient, and would be posted direct by the donor group with a personal letter. The recipient would then buy the needed equipment from authorized suppliers who would send the coupons to UNESCO to be redeemed in the local currency.

United Kingdom Projects

Among the list of projects, the Ministry of Education stated, which UNESCO has asked the UK National Commission to undertake were: a six-months nursery school training course for a girl from the Greek village of Promahon in Macedonia; footballs and boxing gloves for a boys' home in Rangoon; books, film-strips and handicraft materials for a school for deaf-mute children in Bandung, Indonesia; and a seed drill for a rural training centre in India. Other items of equipment in the list include maps, globes, wireless sets, books on education and sociology, puppet-making materials, a hand press and type, a rug-frame, and a loom. Among the institutions whose needs might be "adopted" by groups were a training school in Austria, a centre for crippled children in Poland, a university in the Philippines, a school for backward children in Yugoslavia, and secondary schools in Afghanistan.

The plan was already in operation in the United States and France, and other member States would join it as soon as the machinery at UNESCO headquarters in Paris could be enlarged to deal with the additional activities.

